

Regular Meeting

The regular meeting of the City Council of the City of Fitchburg was held in the Memorial Middle School Auditorium, 615 Rollstone St., Fitchburg, on March 20, 2018. The meeting was called to order by President Michael Kushmerek at 7:21 P.M. The Clerk called the roll and eleven (11) Councillors were present. The meeting opened with a salute to the Flag led by Councillor Kaddy.

Noted for the
Record

Noted for the record:

FATV was recording the audio and video of the meeting. Elizabeth Dobbins, Sentinel and Enterprise stated that she was recording the meeting.

Public Forum

PUBLIC FORUM

Mr. Robert Jokela, Asst. Superintendent of Schools spoke in support of Order 53-18 and requested adoption tonight under suspension of the rules in order to meet the MSBA imposed timeline on this project.

AJ Tourigny, Chief of Staff to the Mayor, spoke on behalf of Jeffrey Murawski, Deputy DPW Commissioner for Wastewater regarding Ordinance 66-18. An amendment to the Ordinance was presented detailing the sewer only portion of the rate chart which had been inadvertently omitted with the original submission.

Be it ordained by the City Council of the City of Fitchburg that Chapter 147-35 of the Code of the City of Fitchburg relative to the adoption of charges and fees, be and hereby is amended as follows;

By inserting the following table of Chapter 147, Section 35.2;

Current Rate	June 1, 2018	June 1, 2019	June 1, 2020	June 1, 2021	June 1, 2022
\$18.85	\$20.36	\$21.99	\$23.53	\$25.17	\$26.81

	Current Rate	June 1, 2018	June 1, 2019	June 1, 2020	June 1, 2021	June 1, 2022
Rate per 100 cubic feet (which equals 748 gallons)	\$7.30	\$7.88	\$8.51	\$9.11	\$9.75	\$10.38

Current Rate	June 1, 2018	June 1, 2019	June 1, 2020	June 1, 2021	June 1, 2022
\$60.83	\$65.67	\$70.92	\$75.92	\$81.25	\$86.50

Mr. Ken Posco, 14 Oliver St., spoke in opposition to Ordinance 34-18. He stated that the City is mandated to accept four marijuana retail establishments and questioned why the City would want to exceed the mandate which he called a bad idea and bad policy.

Amendment
Received 3/20/18

City of Fitchburg, March 20, 2018

COMMUNICATION FROM HIS HONOR THE MAYOR
Re-Appointment Letters

1. Mr. George Leonhardt, as a member of the Fitchburg Redevelopment Authority Board of Directors for a term to expire July 1, 2021.

Communication
His Honor the
Mayor

Appointment Letters



The City of Fitchburg

FITCHBURG CITY CLERK

Massachusetts

2018 MAR 12 AM 9:46

OFFICE OF THE MAYOR

STEPHEN L. DINATALE
MAYOR

166 BOULDER DRIVE
FITCHBURG, MA 01420
TEL. (978) 829-1801

AARON TOURIGNY
CHIEF OF STAFF

ATOURIGNY@FITCHBURGMA.GOV

JOAN DAVID
ADMINISTRATIVE AIDE
JDAVID@FITCHBURGMA.GOV

March 12, 2018

The Honorable City Council
Fitchburg Municipal Offices
166 Boulder Drive, Suite 108
Fitchburg, MA 01420

Dear Honorable Councilors,

I hereby reappoint and ask for your confirmation of Mr. George Leonhardt of 170 Bridle Cross Road, Fitchburg, MA as a member of the Fitchburg Redevelopment Authority Board of Directors for a term to expire on July 1, 2021.

Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in cursive script, reading "Stephen L. DiNatale".
Stephen L. DiNatale
Mayor

Communication
His Honor the
Mayor

Appointment Letters

2. Mr. David Brassard, as a member of the Board of
Commissioners of Trust Funds for a term to expire on
January 1, 2021.



STEPHEN L. DINATALE

MAYOR

166 BOULDER DRIVE
FITCHBURG, MA 01420
TEL. (978) 829-1801

The City of Fitchburg

FITCHBURG CITY CLERK

Massachusetts

OFFICE OF THE MAYOR

2018 MAR -9 AM 9:50

AARON TOURIGNY

CHIEF OF STAFF

ATOURLIGNY@FITCHBURGMA.GOV

JOAN DAVID

ADMINISTRATIVE AIDE

JDAVID@FITCHBURGMA.GOV

March 9, 2018

The Honorable City Council
Fitchburg Municipal Offices
166 Boulder Drive, Suite 108
Fitchburg, MA 01420

Dear Honorable Councilors,

I hereby reappoint and ask for your confirmation of Mr. David Brassard of 80 Williams Road, Fitchburg, MA, as a member of the Board of Commissioners of Trust Funds for a term scheduled to expire on of January 1, 2021.

Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "Stephen L. DiNatale".

Stephen L. DiNatale
Mayor

City of Fitchburg, March 20, 2018

Communication
His Honor the
Mayor

Appointment Letters

3. Mr. John Antilla, as a member of the Fitchburg Council on Aging, for a term to expire March 1, 2021.



STEPHEN L. DINATALE
MAYOR

166 BOULDER DRIVE
FITCHBURG, MA 01420
TEL. (978) 829-1801

The City of Fitchburg

Massachusetts
OFFICE OF THE MAYOR

FITCHBURG CITY CLERK

2018 MAR 15 AM 11:43

AARON TOURIGNY
CHIEF OF STAFF
ATOURIGNY@FITCHBURGMA.GOV

JOAN DAVID
ADMINISTRATIVE AIDE
JDAVID@FITCHBURGMA.GOV

March 15, 2018

The Honorable City Council
Fitchburg Municipal Offices
166 Boulder Drive, Suite 108
Fitchburg, MA 01420

Dear Honorable Councilors,

I hereby reappoint and ask for your confirmation of Mr. John Antilla of 303 Ashby State Road, Fitchburg, MA as a member of the Fitchburg Council on Aging for a three year term scheduled to expire on March 1, 2021.

If you have any questions regarding this matter please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, reading "Stephen L. DiNatale".

Stephen L. DiNatale
Mayor

City of Fitchburg.

March 20, 2018

Communication
His Honor the
Mayor

Appointment Letters

Appointment Letters

1. Ms. Nancy Fors, as a member of the Fitchburg Council on Aging for a term to expire March 1, 2021.



STEPHEN L. DINATALE
MAYOR
166 BOULDER DRIVE
FITCHBURG, MA 01420
TEL. (978) 829-1801

The City of Fitchburg

FITCHBURG CITY CLERK

Massachusetts

2018 MAR 15 AM 11:43

OFFICE OF THE MAYOR

AARON TOURIGNY
CHIEF OF STAFF
ATOURIGNY@FITCHBURGMA.GOV

JOAN DAVID
ADMINISTRATIVE AIDE
JDAVID@FITCHBURGMA.GOV

March 15, 2018

The Honorable City Council
Fitchburg Municipal Offices
166 Boulder Drive, Suite 108
Fitchburg, MA 01420

Dear Honorable Councilors,

I hereby appoint and ask for your confirmation of Ms. Nancy Fors of 76 Belgian Way, Fitchburg, MA as a member of the Fitchburg Council on Aging for a three year term scheduled to expire on March 1, 2021.

If you have any questions regarding this matter please do not hesitate to contact me.

Sincerely,

Stephen L. DiNatale
Mayor

Appointment read and referred to the Appointments Committee.

2. Ms. MaryAnn Melanson, as a member of the Fitchburg Council on Aging for a term to expire March 1, 2021.

Appointment was withdrawn per request of Ms. Melanson.

City of Fitchburg, March 20, 2018

ANNUAL REPORT

052-18. ANNUAL REPORT: Fitchburg Redevelopment Authority for the years 2016 and 2017.

Annual Report
Fitchburg
Redevelopment
Authority



166 Boulder Drive, Suite 104 East
Fitchburg, MA 01420
Phone: 978-345-9602 Fax: 978-345-9604
www.DiscoverFitchburg.com

Memorandum

DATE: March 1, 2018
TO: City Council
FROM: Dan Curley, Executive Director
RE: FRA Annual Report

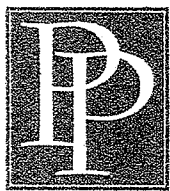
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FITCHBURG CITY CLERK

Enclosed is a copy of the Fitchburg Redevelopment Authority's Annual Report for Fiscal Year 2017 and the Audited Financials for Fiscal Year 2016. We are also enclosing a copy of the Annual Report for 2017 and Audited Financials for Fiscal Year 2015 to ensure you have a record. Please note that the FRA's fiscal year runs from January-December. Please also note that all future reports will be submitted with our audited financials lagging somewhat behind due to the new GAASB laws in effect for pension plans. Each year we will have to rely on the information given to us by the audited financials from our respective pension plan, and in turn makes our financials available to us at a later time period in the year than we had previously received them.

This information is submitted in compliance with Section 52, Chapter 121B of the General Laws, as amended, which requires each Urban Renewal Agency to keep an accurate record of all its activities, receipts, and expenditures in connection with the planning and execution of Urban Renewal Projects and to annually make a report of such to the Department of Communities and Development, the State Auditor and the Mayor of the city within which such Authority is organized.

Please do not hesitate to contact me if you should have any questions.

Fitchburg Redevelopment Authority 2017 Annual Report



PUTNAM
PLACE



Putnam Place Business Center, 166 Boulder Drive, Fitchburg, Massachusetts

Dan Curley, Executive Director
Thomas Donnelly, Chairman
Charles Caron, Vice Chairman
Kenneth Caron, Treasurer
James Hohman, Member
George Leonhardt, Member

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Establishment

The Fitchburg Redevelopment Authority (FRA) was established on January 21, 1964, under the provisions of Section 26QQ of Chapter 121 (recorded in 1969 as Section 4 of Chapter 121B) of the General Laws of the Commonwealth of Massachusetts as amended.

The FRA office is located at Putnam Place, 166 Boulder Drive, Suite 104, Fitchburg, Massachusetts.

The membership, as of December 31, 2017, was as follows:

Expiration

Thomas Donnelly Chairman.....April 2017
149 Prospect Street
Fitchburg, MA 01420

Charles Caron..... Vice Chairman.....July 2019
75 Prospect Street
Fitchburg, MA 01420

Kenneth Caron..... Treasurer..... July 2019
46 Lovisa Street
Fitchburg, MA 01420

James Hohman..... Member.....January 2018
69 Dailey Terrace
Fitchburg, MA 01420

George Leonhardt..... Member July 2016
170 Bridle Cross Road
Fitchburg, MA 01420

Administrative Matters

In 2016 all members of the Board of Directors remained the same. Dan Curley remained as full time Executive Director.

Summary

PUTNAM PLACE

* Tenants

- ◆ *Leonardo-DRS (formerly DRS-PTI)* - Continued to lease space in Building #2 for a total amount of 114,454 square feet of Manufacturing Space, and 22,000 square feet for Office Operations. In January 2017 Leonardo-DRS signed a five-year lease extension for both the manufacturing and office spaces. The extension runs until October 31, 2025
- ◆ *City of Fitchburg Municipal Offices* - The City of Fitchburg lease an additional 2,000 square foot office in July, 2017. That brings the total office space leased by the City to 16,550 square feet. The City's lease is currently a series of one-year options as part of the original lease agreement signed in September 2012.
- ◆ *National Ecological Observatory Network, Inc. (D/B/A NEON, Inc.)* - Continued to lease space in Building #2 for a total amount of 2,000 square feet. The lease, signed in December of 2012, expires in November 2022.
- ◆ *Worcester County Registry of Deeds* - Continued to lease 12,981 square feet of space in Building #2. The current lease is set to expire in June 2019.
- ◆ *River Styx Brewing Company* - River Styx Brewing LLC completed the fit out of the 7,500 square feet leased starting in November of 2016. The brewery has been constructed along with a tasting room. The project represents an investment by the company in excess of \$400,000. Their Grand Opening was held in July 2017.
- ◆ The FRA continues negotiations with a proposed tenant for the lease of 200 Boulder Drive (Building #3). Details are being finalized and it is anticipated that a lease will be signed in the first quarter of 2018.

- ◆ Leasable space in Putnam Place is summarized as follows:

Totals for Site	Total Area – 240,480
	Total Leasable – 221,888
	Total Leased – 178,390
	Percent Leased – 80%

* Capital Improvement Projects

- ◆ The façade to Building #2 was updated to include the addition of 4 new windows in the section of Building #2 that is leased by River Styx Brewing Company. The old style manufacturing windows were removed and new windows, matching the building that was previously redesigned as part of the original reuse project, were installed. Modern Window and Glass was the selected contractor chosen to perform the construction project at a cost of \$193,444.

URBAN RENEWAL PLAN

* Intermodal Parking Garage

- ◆ MART (Montachusett Area Regional Transport) submitted its tenth payment of \$53,333.33 to the FRA in July 2017. Payments will be received from MART until 2026.

* Property Acquisitions/Dispositions

- ◆ The FRA Still 1.7 acres of land between North and Snow Streets, Final plans have not been determined for this land, which the FRA intends to sell. The property is currently being used as a staging area for the contractor performing a water main replacement project in that area of the city for the City of Fitchburg Water Department. The FRA plans on aggressively marketing the property during 2018.

*** Main Street Housing Program**

- ◆ The FRA continues to offer \$5,000 per housing unit for redeveloped properties through their Main Street Housing Program. The FRA received one application for the Housing Grant Program in October 2017 for property located at 409 Main Street. The vacant building will be renovated to have retail business on the first floor (restaurant) with two floor of housing above, two units on each floor. The Board of Directors voted to approve the grant application in the amount of \$20,000 and a Letter of Commitment was signed. The applicant now has one year to complete the housing units and receive their occupancy permit to receive the grant.

*** Neighborhood Improvement Code Enforcement (NICE)**

- ◆ During 2017 the FRA, partnering the City of Fitchburg's NICE Committee, aided in the group's efforts to make the city's neighborhoods cleaner and safer by contributing \$287,000 to the City towards demolition of properties located within the Urban Renewal Area. The properties were chosen by the NICE Committee for the purposes of eliminating these blighted and dangerous structures that had negative effects on surrounding properties within the neighborhoods. Demolition work was completed at 35-57 Main Street, 28 Oliver Street and 48 Elm Street. These sites are now poised for investment and development opportunities.

GENERAL*** PILOT Program**

- ◆ The FRA made a payment in lieu of taxes (PILOT) to the City of Fitchburg for all properties owned in the amount of \$134,867.95 for fiscal year 2017.

*** Brownfields**

- ◆ As part of the FRA's EPA Brownfield Assessment Grant, Tighe and Bond, the FRA's consultant for the Grant, conducted three Phase II ESA reports and three Quality Assurance Project Plans for the FRA and the City of Fitchburg during 2016 for properties located at 40 King Street, 50 Laurel Street and 617 Water Street.
- ◆ Dan Curley, Executive Director attended the 2017 EPA Brownfields Training Conference in Pittsburgh, PA in December, 2017.

*** Additional Economic Development Activities**

- ♦ The Fitchburg Community Development Department received a grant from the Mass Development Site Readiness Program to help the city and the FRA in furthering the FRA and city's efforts to develop the industrial land located on Airport Road owned by the FRA. The projects includes looking at the study done for the FRA by Wesson and Sampson and offering suggestions and guidance in dealing with some obstacles and move the project forward.

*** Donations/Sponsorships/Community Support**

- ♦ The FRA made three donations in support of downtown civic activities during 2017. The amounts and activities are as follows:

\$6,000 sponsorship of Fitchburg's Civic Days, the yearly downtown summer festival/event.

\$4,000 donation towards a downtown beautification effort replacing wooden planters with new concrete planters along Main Street.

\$1,000 donation to the Downtown Holiday Lighting Committee aiding in the efforts to decorate downtown Fitchburg during the winter holiday season.

City of Fitchburg, March 20, 2018

Annual Report
Fitchburg
Redevelopment
Authority

FITCHBURG REDEVELOPMENT AUTHORITY

FINANCIAL STATEMENTS AND REQUIRED
SUPPLEMENTARY INFORMATION
WITH INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2016

FITCHBURG CITY CLERK
2018 MAR -1 PM 2:53

Annual Report
Fitchburg
Redevelopment
Authority

FITCHBURG REDEVELOPMENT AUTHORITY

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City of Fitchburg, March 20, 2018

Annual Report
Fitchburg
Redevelopment
Authority

MARK S. MUELLER
CERTIFIED PUBLIC ACCOUNTANT

1205 Central Street - Leominster, Massachusetts 01453
(978) 751-8040
Fax (978) 751-8285

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Fitchburg Redevelopment Authority
Fitchburg, MA 01420

Report on the Financial Statements

We have audited the accompanying financial statements of the Fitchburg Redevelopment Authority a political subdivision as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Fitchburg Redevelopment Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluation of the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Annual Report
Fitchburg
Redevelopment
Authority

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Fitchburg Redevelopment Authority as of December 31, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedule of the Fitchburg Redevelopment Authority's proportionate share of the net pension liability and schedule of contributions on pages 17 and 18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provided any assurance.

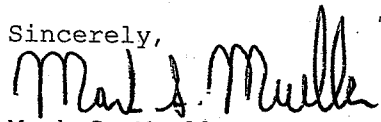
Other Information

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standard Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 3, 2017, on our consideration of the Fitchburg Redevelopment Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fitchburg Redevelopment Authority's internal control over financial reporting and compliance.

Sincerely,



Mark S. Mueller
Certified Public Accountant
August 3, 2017

FITCHBURG REDEVELOPMENT AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2016

<u>ASSETS</u>	
<u>Current assets:</u>	
Cash and cash equivalents	\$ 3,662,798
Accounts and grants receivable, net	426,780
Prepaid expenses	17,836
Notes receivable, current portion	53,561
Total current assets	4,160,975
<u>Capital assets:</u>	
Capital assets not being depreciated	1,353,588
Capital assets being depreciated, net	13,227,223
Total capital assets	14,580,811
<u>Other assets:</u>	
Prepaid lease commissions, net	6,705
Notes receivable, net of current portion	567,964
Total other assets	574,669
<u>Total assets</u>	<u>19,316,455</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pension plan	69,210
Total deferred outflows of resources	69,210
<u>Total assets and deferred outflows of resources</u>	<u>\$ 19,385,665</u>

<u>LIABILITIES AND NET POSITION</u>	
<u>Current liabilities:</u>	
Accounts payable and accrued expenses	\$ 175,915
Accrued payroll	3,385
Payroll taxes payable	1,694
Accrued compensated absences	12,595
Prepaid rent	180,812
Current portion of deferred gain on installment sale	13,978
Total current liabilities	388,379

The Accompanying Notes are an Integral Part of These Financial Statements

Annual Report
Fitchburg
Redevelopment
Authority

FITCHBURG REDEVELOPMENT AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2016

Non-current liabilities:

Long-term debt, net of current portion	40,395
Deferred gain on installment sale, net of current portion	125,803
Net pension liability	544,005
Security deposits	87,782

Total non-current liabilities	797,985
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Total liabilities	1,186,364
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Net position:

Invested in capital assets, net of related debt	14,540,416
Unrestricted	3,658,885

Total net position	18,199,301
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<u>Total liabilities and net position</u>	<u>\$ 19,385,665</u>
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The Accompanying Notes are an Integral Part of These Financial Statements

FITCHBURG REDEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
FOR THE YEAR ENDED
DECEMBER 31, 2016

Operating revenues:

Rent and other property payments	\$1,596,694
Grant revenue	675,996
Gross profit recognized on installment sale	13,978
Gain on disposition of property held for redevelopment	12,000
Total operating revenues	2,298,668

Operating expenses:

Utilities	511,071
Depreciation	468,366
Repairs and maintenance	217,875
Property taxes	138,795
Salaries	113,343
Pension plan expense	78,080
Insurance	69,645
Community support - city of fitchburg	49,572
Legal and professional fees	46,337
Environmental investigation services	24,256
Security services	17,476
Payroll taxes and employee benefits	16,845
Accounting and audit expense	11,600
Office expense	9,081
Travel and entertainment	3,568
Advertising	3,090
Dues and subscriptions	1,334
Amortization	1,118
Bank charges	5
Total operating expenses	1,781,457

Income from operations 517,211

Non-operating income/(expense):

Interest income	25,624
Bad debt	(62,269)

Net non-operating (expense) (36,645)

Increase in net position 480,566

Net position, beginning of year 17,744,382
Prior period adjustment (25,647)

Net position, beginning of year as restated 17,718,735

Net position, end of year \$18,199,301

The Accompanying Notes are an Integral Part of These Financial Statements

Annual Report
Fitchburg
Redevelopment
Authority

FITCHBURG REDEVELOPMENT AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
DECEMBER 31, 2016

<u>Cash flows from operating activities</u>	
Cash received from customers	\$2,380,133
Cash payments to employees	(117,128)
Cash paid to suppliers	(1,130,358)
Net cash provided by operating activities	1,132,647
<u>Cash flows from capital finance activities</u>	
Acquisition of capital assets	(35,319)
Proceeds from disposition of property held for redevelopment	15,000
Net cash used by capital finance activities	(20,319)
<u>Cash flows from investing activities</u>	
Loans issued	(91,523)
Collections of loan principal	53,333
Interest income	25,624
Net cash used by investing activities	(12,566)
Net increase in cash	1,099,762
Cash and cash equivalents, beginning of year	2,563,036
Cash and cash equivalents, end of year	\$3,662,798
<u>Reconciliation of net operating income to net cash provided by operating activities</u>	
Income from operations	\$ 517,211
<u>Adjustments to reconcile net income from operations to net cash provided by operations</u>	
Depreciation and amortization	469,484
Gain on sale of property held for redevelopment	(12,000)
Gross profit on installment sale	(13,978)
(Increase)/Decrease in accounts receivable	2,053
(Increase)/Decrease in prepaid expenses	2,848
Increase/(Decrease) in accounts payable	29,446
Increase/(Decrease) in accrued payroll	(1,236)
Increase/(Decrease) in payroll taxes payable	(933)
Increase/(Decrease) in compensated absences	(2,549)
Increase/(Decrease) in prepaid rent	105,390
Increase/(Decrease) pension liability, net of deferrals	36,911
Total adjustments	615,436
Cash provided by operating activities	\$1,132,647

The Accompanying Notes are an Integral Part of These Financial Statements

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Nature of Activities

Organization

The Fitchburg Redevelopment Authority (FRA) was established on January 21, 1964, as part of the City of Fitchburg, Massachusetts to engage in urban renewal and development. On September 23, 1964, the FRA commenced the independent management of its funds under Massachusetts General Law 121B.

Putnam Place

During 1999 the FRA acquired the building and land located on Boulder Drive, from General Electric Co., with the intent of converting the property to rentable office and manufacturing space, under the City of Fitchburg's Urban Renewal and Development plan. Putnam Place commenced operations during 2000.

b) Basis of Presentation

The Authority's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as specified by the Governmental Accounting Standards Board's (GASB) requirements for a special-purpose government agency engaged solely in business type activities. Operating revenues and expenses result from the administering of community development projects within the City in the areas of planning, economic development and workforce development. All other revenues and expenses are reported as nonoperating revenues and expenses.

c) Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

d) Revenue Recognition

The Authority earns revenue from a variety of different sources including, but not limited to, land sales, and long-term operating leases.

Sales revenue is generally recorded upon transfer of title or, in the case of installment sales, when certain milestones are met.

The Authority has long-term leases with certain tenants in its Putnam Place building, which expire through 2025.

The Authority also receives a significant amount of Governmental Grant revenue, which is used solely for capital projects that are under the oversight of the Authority.

e) Cash and Cash Equivalents

Cash and cash equivalents consist primarily of demand deposit accounts and certificates of deposit with maturities of 3 months or less. Cash and cash equivalents are stated at cost which approximates market value.

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Accounts Receivable

Trade accounts receivable are stated at the amount the FRA expects to collect. The FRA maintains allowances for doubtful accounts for estimated losses resulting from the inability of its tenants to make required payments. Management considers the following factors when determining the collectability of specific tenant's accounts: tenant's credit-worthiness, past transaction history with the tenants, current economic industry trends and changes in tenant's payment terms. If the financial condition of the FRA's tenants were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, the FRA provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the FRA has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

g) Property and Equipment and Depreciation

Property and equipment additions are recorded at cost. Depreciation is computed using the straight-line method over the following estimated useful lives:

Building and Improvements	10 - 50 Years
Furniture and Fixtures	3 - 7 Years
Equipment	5 - 7 Years

h) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Fitchburg Retirement System (FRS) and additions to/deductions from FRS's fiduciary's net position have been determined on the same basis as they are reported by FRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

i) Advertising

Advertising costs are charged to operations when incurred.

j) Concentrations of Credit Risk

Financial instruments that potentially subject the FRA to concentrations of credit risk consist principally of cash and certificates of deposit. The FRA maintains its cash in bank deposit accounts, the balances of which, at times may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2016 FRA had approximately \$2,912,647 in excess of FDIC insured limits. The FRA has not experienced any losses in such accounts.

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2016

2. ACCOUNTS AND GRANTS RECEIVABLE

Accounts and grants receivable at December 31, 2016 consists of the following:

	<u>2016</u>
Due from the State of Massachusetts	\$ 329,653
Accounts Receivable Putnam Place	99,127
	<u>428,780</u>
Less: Allowance for Doubtful Accounts	(2,000)
	<u>\$ 426,780</u>

3. PREPAID EXPENSES

Prepaid expenses at December 31, 2016 consists of the following:

	<u>2016</u>
Prepaid Insurance	\$ 17,836
Prepaid Lease Commissions	\$ 11,175
Less: Accumulated Amortization	<u>(4,470)</u>
	<u>\$ 6,705</u>

4. NOTES RECEIVABLE

The FRA entered into an agreement with the Montachusett Regional Transit Authority (MART) dated May 23, 2003 to transfer ownership of property held by FRA for redevelopment. The agreement states that the MART will pay The FRA \$1,050,000 over a 21-year period commencing June 2006. At December 31, 2016, \$530,002 was due to FRA under the agreement.

The FRA entered into an agreement with River Styx Brewing, LLC (tenant) dated October 25, 2016 whereas the FRA will loan the LLC a sum of \$200,000, which will be used by the LLC to fund business start-up expenditures. The note calls for interest only payments of 3.00% per annum during the start-up period which commences November 1, 2016 and ends December 1, 2017. The interest rate will then be reduced to 2.00% per annum during the repayment period, which commences January 1, 2018 and ends December 1, 2027. The note is collateralized by all brewing devices and equipment. As of December 31, 2016, interest and principal of \$91,523 was due to FRA under the agreement.

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Fitchburg
Redevelopment
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FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2016

4. NOTES RECEIVABLE (CONTINUED)

Principle Contractual Maturities on the Notes Receivable are as follows:

Year ending December 31:

2017	\$ 53,561
2018	61,664
2019	61,832
2020	62,003
2021	62,178
Thereafter	<u>320,287</u>
	<u>\$ 621,525</u>

5. CAPITAL ASSETS

The following is a summary of activities by major categories of capital assets for the year ended December 31, 2016.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets Not Being Depreciated:				
Land	\$ 672,612	\$ -	\$ -	\$ 672,612
Construction in Progress	-	29,400	-	29,400
Property Held for Development	<u>654,576</u>	<u>-</u>	<u>(3,000)</u>	<u>651,576</u>
Total Capital Assets Not Being Depreciated	<u>1,327,188</u>	<u>29,400</u>	<u>(3,000)</u>	<u>1,353,588</u>
Other Capital Assets:				
Building Improvements	14,759,169	5,919	-	14,765,088
Building	2,750,000	-	-	2,750,000
Equipment	323,259	-	-	323,259
Computer Software	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
Total Other Capital Assets At Historical Cost	<u>17,842,428</u>	<u>5,919</u>	<u>-</u>	<u>17,848,347</u>

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
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5. CAPITAL ASSETS (CONTINUED)

Less Accumulated Depreciation
for:

Building Improvements	3,345,237	402,155	-	3,747,392
Building	770,000	55,000	-	825,000
Equipment	27,521	11,211	-	38,732
Computer Software	10,000	-	-	10,000
Total Accumulated Depreciation	4,152,758	468,366	-	4,621,124
Other Capital Assets, Net	13,689,670	(462,447)	-	13,227,223
Capital Assets, Net	\$15,016,858	\$ (433,047)	\$ (3,000)	\$14,580,811

6. LONG-TERM DEBT

Long-term debt at December 31, 2016 consists of the following:

	2016
Note payable to the Mass Development Authority, non-interest bearing.	\$ 40,395

7. OPERATING LEASES (AS LESSOR)

The FRA enters into rental agreements with numerous tenants consisting of various lease terms to rent office space and manufacturing facilities located at Putnam Place.

Future minimum rental payments to be received are as follows:

Year ending December 31:

2017	\$ 925,000
2018	927,483
2019	735,317
2020	653,836
2021	657,127
Thereafter	2,367,014
	<u>\$ 6,265,777</u>

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2016

8. PENSION PLAN

Plan Description

Fitchburg Redevelopment Authority employees are provided with pensions through the Fitchburg Retirement System (FRS) - a cost-sharing multiple-employer defined benefit pension plan administered by the Fitchburg Retirement System (FRS). Chapter 32 of the General Laws of Massachusetts grants the authority to establish and amend the benefit terms to the FRS Board of Trustees (FRS Board). FRS issues a publicly available financial report that can be obtained by writing to Fitchburg Retirement System, 718 Main Street, Fitchburg, MA. 01420.

Benefits Provided

FRS provides retirement, disability, and death benefits. Retirement benefits are determined as 2.5 percent of the employee's final 3-year average compensation times the employee's years of service. Employees with 10 years of continuous service are eligible to retire at age 55. Employees are eligible for service-related disability benefits regardless of length of service. Ten years of service is required for nonservice-related disability eligibility. Disability benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Death benefits equal the following amounts monthly, spouse - \$500, first child - \$120, each additional child - \$90

Contributions

Per Chapter 32 of the General Laws of Massachusetts, contribution requirements of the active employees of the Fitchburg Redevelopment Authority are established and may be amended by the FRS Board. Employees are required to contribute 9.00 percent of their annual pay, up to \$30,000 and 11.00 percent on any salary in excess of \$30,000. The Fitchburg Redevelopment Authority's contractually required contribution rate for the year ended December 31, 2015, was 30.50 percent of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Fitchburg Redevelopment Authority were \$41,682 for the year ended December 31, 2016.

At December 31, 2016, the Fitchburg Redevelopment Authority reported a liability of \$544,005 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Fitchburg Redevelopment Authority's proportion of the net pension liability was based on a projection of the Redevelopment Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating entity's, actuarially determined. At December 31, 2015, the Redevelopment Authority's proportion was 0.43 percent, which was an increase of 0.01 from its proportion measured as of December 31, 2014.

For the year ended December 31, 2016, the Redevelopment Authority recognized pension expense of \$78,080.

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2016

8. PENSION PLAN (CONTINUED)

Contributions (Continued)

At December 31, 2016, the Fitchburg Redevelopment Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	20,720	-
Changes in proportion and differences between Redevelopment Authority contributions and proportionate share of contributions	7,321	-
Redevelopment Authority Contributions subsequent to the measurement date	41,169	-
Total	<u>\$ 69,210</u>	<u>\$ -</u>

\$41,169 reported as deferred outflows of resources related to pensions resulting from Redevelopment Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:

2017	\$ 9,305
2018	9,305
2019	8,555
2020	876
	<u>\$ 28,041</u>

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
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8. PENSION PLAN (CONTINUED)

Actuarial Assumptions

The total pension liability included in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 Percent
Salary increases	4.25 percent, average, including inflation
Investment rate of return	7.95 percent, net of pension plan investment expenses, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2013 - December 31, 2014. As a result of the 2014 actuarial experience study, the expectation of life after disability was adjusted in the December 31, 2015 actuarial valuation to more closely reflect actual experience.

The long term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Large Cap Equities	14.5%	4.37%
Small-Mid Cap Equities	3.5%	4.61%
International Equities	16.0%	4.85%
Emerging Equities	6.0%	6.31%
Core Bonds	5.0%	0.76%
20+ yr Treasuries	5.0%	0.49%
TIPS	3.0%	0.97%
High-Yield Bonds	1.5%	2.67%
Bank Loans	1.5%	2.91%
EMD (external)	1.0%	2.91%
EMD (local currency)	2.0%	3.40%
Private Debt	4.0%	4.85%
Private Equity	10.0%	6.31%
Real Estate	10.0%	3.40%
Timberland	4.0%	3.95%
Hedge Funds	9.0%	3.40%
Portfolio Completion	4.0%	3.09%
	<u>100.0%</u>	

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
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8. PENSION PLAN (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 7.95 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all entity's will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine that total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discounted Rate

The following presents the Redevelopment Authority's proportionate share of the net pension liability calculated using the discount rate of 7.95 percent, as well as what the Redevelopment Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.95 percent) or 1 percent point higher (8.95 percent) than the current rate.

	1% Decrease (6.95%)	Current Discount Rate (7.95%)	1% Increase (8.95%)
Fitchburg Redevelopment Authority's proportionate share of the net pension liability	\$ 650,802	\$ 544,005	\$ 461,199

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued FRS financial report.

9. CONTINGENCIES

Economic Development Administration

As a condition of the award of two grants from the United States Department of Commerce, Economic Development Administration (EDA), totaling \$2,000,000, the FRA must hold title to the Putnam Place property for a minimum of fifteen years, or risk repayment of the EDA grants. This agreement was confirmed by a vote of the FRA board of directors in June, 2006 and evidenced by the recording of a mortgage on said property.

Sick Time

Sick time can be accrued up to maximum of 334 days, but if an employee terminates employment for any reason other than retirement or death the accrued balance is forfeited. In the event of retirement or death the cash benefit received would be \$30 per accrued day to a maximum benefit of \$10,000 per employee.

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2016

10. PRIOR PERIOD ADJUSTMENT

The FRA negotiated a lease extension with a tenant as of January 17, 2017, which retroactively reduced monthly base rent back to November 1, 2015, in exchange for a lease extension through October 2025. Rent and other property payments have been reduced by \$25,647 for year ending December 31, 2015 as a result of the subsequent reduction in rent.

11. EVALUATION OF SUBSEQUENT EVENTS

The FRA has evaluated subsequent events through August 3, 2017, the date which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

Annual Report
Fitchburg
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SCHEDULE OF THE FITCHBURG REDEVELOPMENT AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FITCHBURG RETIREMENT SYSTEM
LAST 10 FISCAL YEARS*

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Fitchburg Redevelopment Authority's proportion of the net pension liability (asset)	0.42%	0.43%								
Fitchburg Redevelopment Authority's proportionate share of the net pension liability (asset)	\$ 498,547	\$ 544,005								
Fitchburg Redevelopment Authority's covered employee payroll	\$ 128,428	\$ 134,207								
Fitchburg Redevelopment Authority's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	388.19%	405.34%								
Plan fiduciary net position as a percentage of the total pension liability	45.55%	43.70%								

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, governments should present information for those years for which information is available.

SCHEDULE OF THE FITCHBURG REDEVELOPMENT AUTHORITY'S CONTRIBUTIONS
FITCHBURG RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contributions	\$ 38,340	\$ 41,682								
Contributions in relation to the contractually required contribution	38,340	41,786								
Contribution deficiency (excess)	\$ -	(104)								
Fitchburg Redevelopment Authority's covered employee payroll	\$ 128,428	\$ 134,207								
Contributions as a percentage of covered employee payroll	29.20%	30.50%								

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, governments should present information for those years for which information is available.

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Fitchburg
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MARK S. MUELLER
CERTIFIED PUBLIC ACCOUNTANT

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
Fitchburg Redevelopment Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Fitchburg Redevelopment Authority (a political subdivision), which comprise the statements of financial position as of December 31, 2016, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated August 3, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Fitchburg Redevelopment Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Fitchburg Redevelopment Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

City of Fitchburg, March 20, 2018

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Fitchburg
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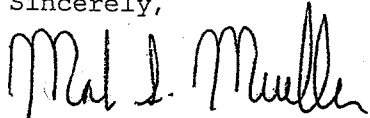
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Fitchburg Redevelopment Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sincerely,



Mark S. Mueller
Certified Public Accountant
August 3, 2017

Fitchburg Redevelopment Authority 2016 Annual Report



PUTNAM
PLACE



Putnam Place Business Center, 166 Boulder Drive, Fitchburg, Massachusetts

Dan Curley, Executive Director
Thomas Donnelly, Chairman
Charles Caron, Vice Chairman
Kenneth Caron, Treasurer
James Hohman, Member
George Leonhardt, Member

Establishment

The Fitchburg Redevelopment Authority (FRA) was established on January 21, 1964, under the provisions of Section 26QQ of Chapter 121 (recorded in 1969 as Section 4 of Chapter 121B) of the General Laws of the Commonwealth of Massachusetts as amended.

The FRA office is located at Putnam Place, 166 Boulder Drive, Suite 104, Fitchburg, Massachusetts.

The membership, as of December 31, 2016, was as follows:

Expiration

Thomas Donnelly Chairman.....April 2017
149 Prospect Street
Fitchburg, MA 01420

Charles Caron..... Vice Chairman.....July 2019
75 Prospect Street
Fitchburg, MA 01420

Kenneth Caron..... Treasurer..... July 2019
46 Lovisa Street
Fitchburg, MA 01420

James Hohman..... Member.....January 2018
69 Dailey Terrace
Fitchburg, MA 01420

George Leonhardt..... Member July 2016
170 Bridle Cross Road
Fitchburg, MA 01420

Administrative Matters

In 2016 all members of the Board of Directors remained the same. Dan Curley remained as full time Executive Director.

Mr. Charles Caron was reappointed to the Board of Directors in March with a term to expire July 1, 2019.

Summary

PUTNAM PLACE

* Tenants

- ◆ *Leonardo-DRS (formerly DRS-PTI)* - Continued to lease space in Building #2 for a total amount of 114,454 square feet of Manufacturing Space, and 22,000 square feet for Office Operations. Leonardo-DRS and the FRA have entered into negotiations in March about the company's long term strategic plans that include possibilities of consolidation at other facilities or a lease extension here at Putnam Place in Fitchburg. The negotiations are ongoing.
- ◆ *City of Fitchburg Municipal Offices* - Continued to lease space in Building #2 for a total amount of 14,550 square feet. The City has now started on their first year of a series of one-year options as part of the original lease agreement.
- ◆ *National Ecological Observatory Network, Inc. (D/B/A NEON, Inc.)* - Continued to lease space in Building #2 for a total amount of 2,000 square feet.
- ◆ *Worcester County Registry of Deeds* - Continued to lease 12,981 square feet of space in Building #2. The current lease is set to expire in June 2019.
- ◆ *River Styx Brewing Company* - River Styx Brewing LLC and the Fitchburg Redevelopment Authority entered into a six-year lease starting November 1, 2016 until October 31, 2022 with an option for an additional five-year term ending in October of 2027. They will occupy 7,500 square feet used for their brewing operations and tasting room. As part of a collaborate effort to the recruit this micro brew company, the FRA Board approved a \$200,000

loan for the brewing equipment to be installed in the building and the company also received a loan from the City of Fitchburg Small Business Loan Program and the North Central Massachusetts Development Corporation's Small Business Loan Program.

- ◆ Leasable space in Putnam Place is summarized as follows:

Totals for Site	Total Area - 240,480
	Total Leasable - 221,888
	Total Leased - 176,390
	Percent Leased - 80%

* Capital Improvement Projects

- ◆ The façade to Building #2 will be updated with new windows in an area previously not visible to visitors, but now exposed due to the demolition of two buildings on site. The FRA has contracted with Tighe & Bond to design and oversee the project to remove the old windows and install new windows that match the look of the rest of the building.
- ◆ The FRA has started talks with a potential tenant for Building #3. There is mutual interest in the proposed use. The prospect is in very early stages of development and funding.
- ◆ The Fitchburg Redevelopment Authority has proposed to replace City owned street lights along the Boulder Drive section of road that abuts Putnam Place. The existing light poles are made of aggregate material that is deteriorated and has exposed and rusting rebar. Working with the City's DPW it has been agreed that the FRA will purchase new poles, bases and assist with installation. The City will remove and dispose of existing poles and assist with any site work.

URBAN RENEWAL PLAN

* Intermodal Parking Garage

- ♦ MART (Montachusett Area Regional Transport) submitted its tenth payment of \$53,333.33 to the FRA in July 2016. Payments will be received from MART until 2026.

* Property Acquisitions/Dispositions

- ♦ The FRA still owns 1.7 acres of land between North and Snow Streets. Final plans have not been determined for this land, which the FRA intends to sell.

* Main Street Housing Program

- ♦ The FRA continues to offer \$5,000 per housing unit for redeveloped properties through their Main Street Housing Program. The FRA did not receive any requests through the program for 2016.

* Neighborhood Improvement Code Enforcement (NICE)

- ♦ The FRA has remained a participant in the NICE committee meetings. Once again the FRA has offered financial support for the elimination of blighted and dangerous properties within the Urban Renewal area that negatively affect the quality of life in Fitchburg's neighborhoods. Based on estimates for the next round of demolition projects, the Board of Directors committed funding in the amount of approximately \$260,000 to partner with the City. To date, no demolition of properties in the Urban Renewal area have begun. In 2016 the FRA also contributed money to help purchase building material, locks and signs in order for the committee to secure troubled properties.

GENERAL

*** PILOT Program**

- ◆ The FRA made a payment in lieu of taxes (PILOT) to the City of Fitchburg for all properties owned in the amount of \$142,722.32 for fiscal year 2016.

*** Brownfields**

- ◆ As part of the FRA's EPA Brownfield's grant, Tighe and Bond, the FRA's consultant for the Grant, conducted three Phase I ESA reports for the FRA and the City of Fitchburg during 2016 for properties located at 40 King Street, 50 Laurel Street and 617 Water Street. The FRA has instructed Tighe and Bond to proceed with a Statement of Work to seek approval from EPA to conduct Phase II work at the three sites.

*** Additional Economic Development Activities**

- ◆ The FRA continues to work with the City of Fitchburg at the Former Lagoon Site in West Fitchburg for purposes of developing a Business Park.
- ◆ The FRA is evaluating the options for their industrial land located on Airport Road. There is no change in status for the property.
- ◆ The FRA sold a 0.388 parcel of land on Authority Drive. The parcel, a sliver of land left from the development of the 231 Industrial Park and a Mass Highway road construction project has been held since 1975. The property sold to an abutter enabling the developer to obtain approval for a retail site.

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FITCHBURG CITY CLERK

FITCHBURG REDEVELOPMENT AUTHORITY

FINANCIAL STATEMENTS AND REQUIRED
SUPPLEMENTARY INFORMATION
WITH INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2015

FITCHBURG REDEVELOPMENT AUTHORITY

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Fitchburg
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Fitchburg Redevelopment Authority
Fitchburg, MA 01420

Report on the Financial Statements

We have audited the accompanying financial statements of the Fitchburg Redevelopment Authority as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Fitchburg Redevelopment Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluation of the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Fitchburg Redevelopment Authority as of December 31, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedule of the Fitchburg Redevelopment Authority's proportionate share of the net pension liability and schedule of contributions on pages 15 and 16 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

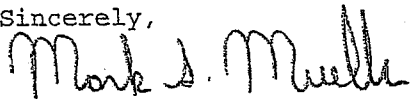
Other Information

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standard Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2016, on our consideration of the Fitchburg Redevelopment Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fitchburg Redevelopment Authority's internal control over financial reporting and compliance.

Sincerely,



Mark S. Mueller
Certified Public Accountant
September 22, 2016

Annual Report
Fitchburg
Redevelopment
AuthorityFITCHBURG REDEVELOPMENT AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2015ASSETSCurrent assets:

Cash cash equivalents	\$ 2,563,036
Accounts and grants receivable-net	491,102
Prepaid expenses	20,684
Notes receivable-current portion	53,333
Total current assets	<u>3,128,155</u>

Capital assets:

Capital assets not being depreciated	1,327,188
Capital assets being depreciated, net	13,689,670
Total capital assets	<u>15,016,858</u>

Other assets:

Prepaid lease commissions-net	7,823
Notes receivable-net of current portion	530,002
	<u>537,825</u>

Total assets\$ 18,682,838DEFERRED OUTFLOWS OF RESOURCES

Pension contribution subsequent to measurement date	<u>\$ 60,663</u>
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LIABILITIES AND NET POSITIONCurrent Liabilities:

Accounts payable and accrued expenses	\$ 146,469
Accrued payroll	4,621
Payroll taxes payable	2,627
Accrued compensated absences	15,144
Prepaid rent	49,775
Current portion of deferred gain on installment sale	13,978
Total current liabilities	<u>232,614</u>

Non current liabilities:

Long-term debt-net of current portion	40,395
Deferred gain on installment sale-net of current portion	139,781
Net pension liability	498,547
Security deposits	87,782
Total non-current liabilities	<u>766,505</u>

Total liabilities999,119Net position:

Invested in capital assets, net of related debt	14,976,463
Unrestricted	2,767,919
Total net position	<u>17,744,382</u>

Total liabilities and net position\$ 18,743,501

The Accompanying Notes are an Integral Part of These Financial Statements

FITCHBURG REDEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
FOR THE YEAR ENDED
DECEMBER 31, 2015

Operating revenues:

Rent and other property payments	\$1,854,688
Grant revenue	774,526
Gain on disposition of property held for redevelopment	159,910
Gross profit recognized on installment sale	13,978
Total operating revenues	2,803,102

Operating expenses:

Utilities	603,751
Depreciation	455,998
Repairs and maintenance	165,313
Property taxes	143,374
Salaries	133,255
Insurance	68,397
Legal and professional fees	65,914
Community support - city of fitchburg	60,675
Pension plan expense	40,011
Environmental investigation services	33,037
Travel and entertainment	18,459
Security services	17,374
Payroll taxes and employee benefits	16,904
Accounting and audit expense	10,850
Office expense	7,087
Bank charges	2,026
Dues and subscriptions	1,332
Amortization	1,118
Advertising	848

Total operating expenses

1,845,723

Income from operations

957,379

Non-operating income/(expense)

Interest income	17,990
Interest (expense)	(21,245)
Bad debt	(8,349)

Net non-operating (expense)

(11,604)

Increase in net position

945,775

Net position, beginning of year

16,798,607

Net position, end of year

\$17,744,382

The Accompanying Notes are an Integral Part of These Financial Statements

FITCHBURG REDEVELOPMENT AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
DECEMBER 31, 2015Cash flows from operating activities

Cash received from customers	\$2,822,680
Cash payments to employees	(132,313)
Cash paid to suppliers	(1,353,568)
- Net cash provided by operating activities	1,336,799

Cash flows from capital finance activities

acquisition of capital assets	(243,896)
Proceeds from disposition of property held for dev. redevelopment	56,171
payments on long-term obligations	(751,000)
Interest expense	(40,254)
Net cash used by capital finance activities	(978,979)

Cash flows from investing activities

Repayment of loan to concord square planning and development	220,172
Repayment of note - mart	53,333
Interest income	17,990
Net cash provided by investing activities	291,495

Net increase in cash 649,315

Cash and cash equivalents, beginning of year 1,913,721

Cash and cash equivalents, end of year \$2,563,036

Reconciliation of net operating income to net cash
provided by operating activities

Income from operations \$ 957,379

Adjustments to reconcile net income from operations to
net cash provided by operations

Depreciation and amortization	457,116
(Increase)/Decrease in accounts receivable	(30,197)
(Increase)/Decrease in prepaid expenses	(27,246)
Increase/(Decrease) in accounts payable	(71,261)
Increase/(Decrease) in accrued payroll	648
Increase/(Decrease) in payroll taxes payable	291
Increase/(Decrease) in compensated absences	294
Increase/(Decrease) in prepaid rent	49,775

Total adjustments 379,420

Cash provided by operating activities \$1,336,799

The Accompanying Notes are an Integral Part of These Financial Statements

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Nature of Activities

Organization

The Fitchburg Redevelopment Authority (FRA) was established on January 21, 1964, as part of the City of Fitchburg, Massachusetts to engage in urban renewal and development. On September 23, 1964, the FRA commenced the independent management of its funds under Massachusetts General Law 121B.

Putnam Place

During 1999 the FRA acquired the building and land located on Boulder Drive, from General Electric Co., with the intent of converting the property to rentable office and manufacturing space, under the City of Fitchburg's Urban Renewal and Development plan. Putnam Place commenced operations during 2000.

b) Basis of Presentation

The Authority's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as specified by the Governmental Accounting Standards Board's (GASB) requirements for a special-purpose government agency engaged solely in business type activities. Operating revenues and expenses result from the administering of community development projects within the City in the areas of planning, economic development and workforce development. All other revenues and expenses are reported as nonoperating revenues and expenses.

c) Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

d) Revenue Recognition

The Authority earns revenue from a variety of different sources including, but not limited to, land sales, and long-term operating leases.

Sales revenue is generally recorded upon transfer of title or, in the case of installment sales, when certain milestones are met.

The Authority has long-term leases with certain tenants in its Putnam Place building, which expire through 2021.

The Authority also receives a significant amount of Governmental Grant revenue, which is used solely for capital projects that are under the oversight of the Authority.

e) Cash and Cash Equivalents

Cash and cash equivalents consist primarily of demand deposit accounts and certificates of deposit with maturities of 3 months or less. Cash and cash equivalents are stated at cost which approximates market value.

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Accounts Receivable

Trade accounts receivable are stated at the amount the FRA expects to collect. The FRA maintains allowances for doubtful accounts for estimated losses resulting from the inability of its tenants to make required payments. Management considers the following factors when determining the collectability of specific tenant's accounts: tenant's credit-worthiness, past transaction history with the tenants, current economic industry trends and changes in tenant's payment terms. If the financial condition of the FRA's tenants were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, the FRA provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the FRA has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

g) Property and Equipment and Depreciation

Property and equipment additions are recorded at cost. Depreciation is computed using the straight-line method over the following estimated useful lives:

Building and Improvements	10 - 50 Years
Furniture and Fixtures	3 - 7 Years
Equipment	5 - 7 Years

h) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Fitchburg Retirement System (FRS) and additions to/deductions from FRS's fiduciary's net position have been determined on the same basis as they are reported by FRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

i) Advertising

Advertising costs are charged to operations when incurred.

j) Concentrations of Credit Risk

Financial instruments that potentially subject the FRA to concentrations of credit risk consist principally of cash and certificates of deposit. The FRA maintains its cash in bank deposit accounts, the balances of which, at times may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2015 FRA had approximately \$1,813,036 in excess of FDIC insured limits. The FRA has not experienced any losses in such accounts.

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2015

2. ACCOUNTS AND GRANTS RECEIVABLE

Accounts and grants receivable at December 31, 2015 consists of the following:

	<u>2015</u>
Due from the State of Massachusetts	\$ 329,653
Accounts Receivable Putnam Place	<u>163,449</u>
	493,102
Less: Allowance for Doubtful Accounts	<u>(2,000)</u>
	<u>\$ 491,102</u>

3. PREPAID EXPENSES

Prepaid expenses at December 31, 2015 consists of the following:

	<u>2015</u>
Prepaid Insurance	<u>\$ 20,684</u>
Prepaid Lease Commissions	\$ 11,175
Less: Accumulated Amortization	<u>(3,352)</u>
	<u>\$ 7,823</u>

4. NOTES RECEIVABLE

The FRA entered into an agreement with the Montachusett Regional Transit Authority (MART) dated May 23, 2003 to transfer ownership of property held by FRA for redevelopment. The agreement states that the MART will pay The FRA \$1,050,000 over a 21-year period commencing June 2006. At December 31, 2015, \$583,335 was due to FRA under the agreement.

Principle Contractual Maturities on the Notes Receivable are as follows:

<u>Year ending December 31:</u>	
2016	\$ 53,333
2017	53,333
2018	53,333
2019	53,333
2020	53,333
Thereafter	<u>316,670</u>
	<u>\$ 583,335</u>

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2015

5. CAPITAL ASSETS

The following is a summary of activities by major categories of capital assets for the year ended December 31, 2015.

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 672,612	\$ -	\$ -	\$ 672,612
Construction in Progress	241,904	243,896	485,800	-
Property Held for Development	760,575	-	105,999	654,576
Total Capital Assets Not Being Depreciated	1,675,091	243,896	591,799	1,327,188
Other Capital Assets:				
Building Improvements	14,483,810	513,300	-	14,997,110
Building	2,750,000	-	-	2,750,000
Equipment	85,318	-	-	85,318
Computer Software	10,000	-	-	10,000
Total Other Capital Assets At Historical Cost	17,329,128	513,300	-	17,842,428
Less Accumulated Depreciation for:				
Building Improvements	2,952,401	392,836	-	3,345,237
Building	715,000	55,000	-	770,000
Equipment	19,359	8,162	-	27,521
Computer Software	10,000	-	-	10,000
Total Accumulated Depreciation	3,696,760	455,998	-	4,152,758
Other Capital Assets, Net	13,632,368	57,302	-	13,689,670
Capital Assets, Net	\$15,307,459	\$ 301,198	\$ 591,799	\$15,016,858

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2015

6. LONG-TERM DEBT

Long-term debt at December 31, 2015 consists of the following:

	2015
Note payable to the Mass Development Authority, non-interest bearing.	\$ 40,395

7. OPERATING LEASES (AS LESSOR)

The FRA enters into rental agreements with numerous tenants consisting of various lease terms to rent office space and manufacturing facilities located at Putnam Place.

Future minimum rental payments to be received are as follows:

<u>Year ending December 31:</u>	
2016	\$ 1,062,685
2017	977,871
2018	988,406
2019	804,607
2020	717,122
Thereafter	431,764
	<u>\$ 4,982,455</u>

8. PENSION PLAN

Plan Description

Fitchburg Redevelopment Authority employees are provided with pensions through the Fitchburg Retirement System (FRS) - a cost-sharing multiple-employer defined benefit pension plan administered by the Fitchburg Retirement System (FRS). Chapter 32 of the General Laws of Massachusetts grants the authority to establish and amend the benefit terms to the FRS Board of Trustees (FRS Board). FRS issues a publicly available financial report that can be obtained by writing to Fitchburg Retirement System, 718 Main Street, Fitchburg, MA. 01420.

Benefits Provided

FRS provides retirement, disability, and death benefits. Retirement benefits are determined as 2.5 percent of the employee's final 3-year average compensation times the employee's years of service. Employees with 10 years of continuous service are eligible to retire at age 55. Employees are eligible for service-related disability benefits regardless of length of service. Ten years of service is required for nonservice-related disability eligibility. Disability benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Death benefits equal the following amounts monthly, spouse - \$500, first child - \$120, each additional child - \$90

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2015

8. PENSION PLAN(CONTINUED)

Contributions

Per Chapter 32 of the General Laws of Massachusetts, contribution requirements of the active employees of the Fitchburg Redevelopment Authority are established and may be amended by the FRS Board. Employees are required to contribute 9.0 percent of their annual pay, up to \$30,000 and 11 percent on any salary in excess of \$30,000. The Fitchburg Redevelopment Authority's contractually required contribution rate for the year ended December 31, 2014, was 29.2 percent of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Fitchburg Redevelopment Authority were \$35,843 for the year ended December 31, 2014.

At December 31, 2014, the Fitchburg Redevelopment Authority reported a liability of \$498,547 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Fitchburg Redevelopment Authority's proportion of the net pension liability was based on a projection of the Redevelopment Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating entity's, actuarially determined. At December 31, 2014, the Redevelopment Authority's proportion was 0.42 percent, which was an increase of 0.04 from its proportion measured as of December 31, 2013.

For the year ended December 31, 2014, the Redevelopment Authority recognized pension expenses of \$36,214. At December 31, 2014, the Fitchburg Redevelopment Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	1,482	-
Changes in proportion and differences between Redevelopment Authority contributions and proportionate share of contributions	-	-
Redevelopment Authority Contributions subsequent to the measurement date	59,181	-
Total	\$ 60,663	\$ -

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2015

8. PENSION PLAN (CONTINUED)

\$59,181 reported as deferred outflows of resources related to pensions resulting from Redevelopment Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending December 31:</u>	
2015	\$ 371
2016	371
2017	370
2018	370
	<u>\$ 1,482</u>

Actuarial Assumptions

The total pension liability in December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 Percent
Salary increases	4.25 percent, average, including inflation
Investment rate of return	7.95 percent, net of pension plan investment expenses, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2012 - December 31, 2013. As a result of the 2013 actuarial experience study, the expectation of life after disability was adjusted in the December 31, 2014 actuarial valuation to more closely reflect actual experience.

FITCHBURG REDEVELOPMENT AUTHORITYNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 20158. PENSION PLAN (CONTINUED)

The long term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Core Bonds	13.0%	0.97%
Valued Added Bonds	10.0%	3.80%
Large Cap Equities	14.5%	4.61%
Mid/Small Cap Equities	3.5%	4.85%
International Equities	16.0%	5.10%
Emerging Market Equities	6.0%	6.31%
Private Equity	10.0%	6.55%
Real Estate	10.0%	3.40%
Timber/Natural Resources	4.0%	3.64%
Hedge Funds	9.0%	3.64%
Cash/Portfolio Completion	4.0%	0.00%
	<u>100.0%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.95 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all entity's will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine that total pension liability.

FITCHBURG REDEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2015

8. PENSION PLAN (CONTINUED)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discounted Rate

The following presents the Redevelopment Authority's proportionate share of the net pension liability calculated using the discount rate of 7.95 percent, as well as what the Redevelopment Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.95 percent) or 1 percent point higher (8.95 percent) than the current rate.

	1% Decrease (6.95%)	Current Discount Rate (7.95%)	1% Increase (8.95%)
Fitchburg Redevelopment Authority's proportionate share of the net pension liability	\$ 597,880	\$ 498,547	\$ 417,654

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued FRS financial report.

9. CONTINGENCIES

Economic Development Administration

As a condition of the award of two grants from the United States Department of Commerce, Economic Development Administration (EDA), totaling \$2,000,000, the FRA must hold title to the Putnam Place property for a minimum of fifteen years, or risk repayment of the EDA grants. This agreement was confirmed by a vote of the FRA board of directors in June, 2006 and evidenced by the recording of a mortgage on said property.

Sick Time

Sick time can be accrued up to maximum of 334 days, but if an employee terminates employment for any reason other than retirement or death the accrued balance is forfeited. In the event of retirement or death the cash benefit received would be \$30 per accrued day to a maximum benefit of \$10,000 per employee.

11. EVALUATION OF SUBSEQUENT EVENTS

The FRA has evaluated subsequent events through September 22, 2016, the date which the financial statements were available to be issued.

Annual Report
Fitchburg
Redevelopment
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FITCHBURG REDEVELOPMENT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2015

SCHEDULE OF THE FITCHBURG REDEVELOPMENT AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

FITCHBURG RETIREMENT SYSTEM

LAST 10 FISCAL YEARS*

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Fitchburg Redevelopment Authority's proportion of the net pension liability (asset)	0.42%									
Fitchburg Redevelopment Authority's proportionate share of the net pension liability (asset)	\$ 498,547									
Fitchburg Redevelopment Authority's covered employee payroll	\$ 128,428									
Fitchburg Redevelopment Authority's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	388.19%									
plan fiduciary net position as a percentage of the total pension liability	45.55%									

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 2011 10 year trend is compiled, governments should present information for those years for which information is available

Annual Report
Fitchburg
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SCHEDULE OF THE FITCHBURG REDEVELOPMENT AUTHORITY'S CONTRIBUTIONS

FITCHBURG RETIREMENT SYSTEM

LAST 10 FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contributions	\$ 35,843									
Contributions in relation to the contractually required contribution	16,673									
Contribution deficiency (excess)	\$ (19,170)									
Fitchburg Redevelopment Authority's covered employee payroll	\$ 128,428									
Contributions as a percentage of covered employee payroll	27.30%									

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 years trend is compiled, governments should extend information for those years for which information is available.

MARK S. MUELLER
CERTIFIED PUBLIC ACCOUNTANT

1205 Central Street - Leominster, Massachusetts 01453
(978) 751-8040
Fax (978) 751-8285

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
Fitchburg Redevelopment Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Fitchburg Redevelopment Authority (a political subdivision), which comprise the statements of financial position as of December 31, 2015, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated September 22, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Fitchburg Redevelopment Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Fitchburg Redevelopment Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Annual Report
Fitchburg
Redevelopment
Authority

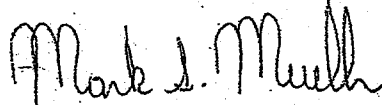
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Fitchburg Redevelopment Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sincerely,



Mark S. Mueller
Certified Public Accountant
September 22, 2016

Reading waived. Report placed on file in the City Clerk's Office.

REPORTS OF COMMITTEES

Appointments Committee Oral Report
Meeting of March 20, 2018

Councillor Kaddy recused himself from the Appointments Committee vote.

The Appointments Committee recommended the following Appointments be confirmed:

New Appointments:

Student Police Officers; effective April 2, 2018:

Brian M. Withington
Sarrah N. Wing
Mark R. Kaddy
Hiram J. Velasquez
Daniella Lopez

Report accepted. Appointments confirmed by unanimous vote, to be effective April 2, 2018. 11 members present. Board consists of 11 members.

Upon confirmation, Appointees were sworn in by the City Clerk.

Councillor Kaddy recused himself from the Appointments Committee vote.

The Appointments Committee recommended the following Appointments be confirmed:

Permanent Police Sergeant for the City of Fitchburg:

John E. Maki
Christopher K. Bellofatto

Report Accepted. Appointments confirmed by unanimous vote. 11 members present. Board consists of 11 members.

Upon confirmation, Appointees were sworn in by the City Clerk.

Reports of
CommitteesCouncil as a
Whole Committee**Council as a Whole Committee**
Meeting of March 12, 2018

The Council as a Whole Committee recommended the following Ordinance be adopted by vote of 10 in favor and 0 opposed. 10 members present. Board consists of 11 members.

032-18. AN ORDINANCE: Amending Chapter 56 of the City Code by adding a new Section 56-5, "Local Marijuana Sales Tax Rate" as outlined in the enclosed Ordinance.

CITY OF FITCHBURG

IN THE YEAR

FITCHBURG CITY CLERK

2018 FEB 14 AM 11:48

AN ORDINANCE

Be it ordained by the City Council of the City of Fitchburg, as follows:

That Chapter 56 of the City Code, entitled "Alcoholic Beverages", shall be amended by adding a new Section 56-5, as follows:

"56-5 LOCAL MARIJUANA SALES TAX RATE

The local sales tax rate on the sales of marijuana or marijuana products, as permitted by G.L. c. 64N, §3, shall be three (3%) percent."

FOR REASON SAYS, in order to regulate the lawful cultivation, production, sale and consumption of non-medical marijuana for the public health, safety and welfare as the same may be permitted by G.L. c. 94G.

Report read and accepted. Ordinance was passed to a first and second reading and ordered advertised by unanimous vote. 11 members present. Board consists of 11 members.

City of Fitchburg,

March 20, 2018

The Council as a Whole Committee recommended the following Ordinance be adopted by vote of 9 in favor and 1 opposed (Beauchemin). 10 members present. Board consists of 11 members.

033-18. AN ORDINANCE: Amending chapter 56 of the City Code, entitled "Alcoholic Beverages", shall be amended by changing the title to "Alcoholic Beverages and Marijuana" as outlined in the enclosed Ordinance.

Reports of
Committees

Council as a
Whole Committee

CITY OF FITCHBURG

IN THE YEAR

FITCHBURG CITY CLERK

2018 FEB 14 AM 11:45

AN ORDINANCE

Be it ordained by the City Council of the City of Fitchburg, as follows:

That Chapter 56 of the City Code, entitled "Alcoholic Beverages", shall be amended by changing the title to "Alcoholic Beverages and Marijuana".

AND

That Section 56-1 of the City Code, entitled "Consumption and Possession," shall be amended by changing the title to "Public Consumption and Possession"; and by adding the following sentence before the first sentence of the section "No person shall smoke, eat, consume, or ingest in any way marijuana, as defined by G.L. c. 94G, §1(g) and G.L. c. 94C, §1, as the same may be amended, while in a public area."; and by striking the words "beverages, while" and inserting in their place the words "beverages while in a public area. For the purposes of this section, the term "public area" shall include any location". The amended ordinance shall read as follows:

"§56-1 PUBLIC CONSUMPTION AND POSSESSION"

No person shall smoke, eat, consume, or ingest in any way marijuana, as defined by G.L. c. 94G, §1(g) and G.L. c. 94C, §1, as the same may be amended, while in a public area. Unless in an area licensed by the Board of License Commissioners, no person shall drink any alcoholic beverage as defined in M.G.L. c. 138, § 1, or possess an opened container full or partially full of any alcoholic beverages while in a public area. For the purposes of this section, the term "public area" shall include any location on, in or upon any public way, upon any way to which the public has right of access, in any place to which members of the public have access as invitees or licensees, in any park or playground, conservation area or recreation area or on private land or place without consent of the owner or person in control thereof."

FOR REASON SAYS, in order to regulate the lawful cultivation, production, sale and consumption of non-medical marijuana for the public health, safety and welfare as the same may be permitted by G.L. c. 94G.

Report read and accepted. Ordinance was passed to a first and second reading and ordered advertised by vote of 10 in favor and 1 opposed (Beauchemin). 11 members present. Board consists of 11 members.

Reports of
Committees

Council as a
Whole Committee

The Council as a Whole Committee recommended the following Ordinance **be amended** to allow 40% of the number of liquor licenses by vote of 6 in favor of the amendment and 4 opposed to the amendment (Fleming, Green, Walsh, Zarrella).

The Council as a Whole Committee recommended the Ordinance be adopted as amended by vote of 9 in favor and 1 opposed (Green). 10 members present. Board consists of 11 members.

034-18. AN ORDINANCE: Amending Chapter 56 of the City Code by adding a new Section 56-3, "Marijuana Retailers" as outlined in the enclosed Ordinance.

CITY OF FITCHBURG

IN THE YEAR

2018 FEB 14 AM 11:46
FITCHBURG CITY CLERK

AN ORDINANCE

Be it ordained by the City Council of the City of Fitchburg, as follows:

That Chapter 56 of the City Code, entitled "Alcoholic Beverages", shall be amended by adding a new Section 56-3, as follows:

"§56-3 MARIJUANA RETAILERS

As defined and established in Section 181.65 of the Fitchburg City Code, the total number of Marijuana Retailers (MR's) for which a special permit or license may be granted by the City or any board, department or division thereof shall be limited to no more than 20% of the number of licenses issued within the city for the retail sale of alcoholic beverages not to be drunk on the premises where sold under G.L. c. 138, §15. No special permit or license may be granted for a MR which results in a violation of this limit."

FOR REASON SAYS, in order to regulate the lawful cultivation, production, sale and consumption of non-medical marijuana for the public health, safety and welfare as the same may be permitted by G.L. c. 94G.

Report read and accepted. Ordinance **as amended** was passed to a first and second reading and ordered advertised by vote of 10 in favor and 1 opposed (Green). 11 members present. Board consists of 11 members.

Reports of
Committees

The Council as a Whole Committee recommended the following Ordinance be adopted by vote of 9 in favor and 1 opposed (Squailia):

Council as a
Whole Committee

035-18. AN ORDINANCE: Amending Chapter 56 of the City Code by adding a new Section 56-4, "Social Marijuana Consumption" as outlined in the enclosed Ordinance.

CITY OF FITCHBURG

IN THE YEAR

FITCHBURG CITY CLERK

2018 FEB 14 AM 11:46

AN ORDINANCE

Be it ordained by the City Council of the City of Fitchburg, as follows:

That Chapter 56 of the City Code, entitled "Alcoholic Beverages", shall be amended by adding a new Section 56-4, as follows:

"§56-4 SOCIAL MARIJUANA CONSUMPTION

On-site or social consumption of marijuana, as defined by G.L. c. 94G, §1(g) and G.L. c. 94C, §1, as the same may be amended, at any Marijuana Establishment (ME) as defined in Section 181.65, or any Registered Marijuana Dispensary (RMD) as defined in Section 181.10 herein, is hereby prohibited unless approved through citizen initiative ballot vote as set forth in G.L. c. 94G §3(b)."

FOR REASON SAYS, in order to regulate the lawful cultivation, production, sale and consumption of non-medical marijuana for the public health, safety and welfare as the same may be permitted by G.L. c. 94G.

Report read and accepted. Ordinance was passed to a first and second reading by vote of 10 in favor and 1 opposed (Squailia). 11 members present. Board consists of 11 members.

Reports of
Committees

Council as a
Whole Committee

The Council as a Whole Committee recommended the following Ordinance be adopted by vote of 9 in favor and 1 opposed (Squailia):

036-18. AN ORDINANCE: Amending Section 132-63 of the City Code by inserting the following Paragraph defining the term "marijuana" after the definition of the word "drug" in the existing Ordinance as outlined in the enclosed Ordinance.

CITY OF FITCHBURG

IN THE YEAR

2018 FEB 14 AM 11:46
FITCHBURG CITY CLERK

AN ORDINANCE

Be it ordained by the City Council of the City of Fitchburg, as follows:

That Section 132-63 of the City Code, entitled "Definitions", shall be amended by inserting the following paragraph defining the term "marijuana" after the definition of the word "drug" in the existing ordinance:

"MARIJUANA

The substance defined as marijuana in M.G.L. c. 94G, §1(g) and G.L. c. 94C, §1, as the same may be amended from time to time."

FOR REASON SAYS, in order to regulate the lawful cultivation, production, sale and consumption of non-medical marijuana for the public health, safety and welfare as the same may be permitted by G.L. c. 94G.

Report read and accepted. Ordinance was passed to a first and second reading by vote of 10 in favor and 1 opposed (Squailia). 11 members present. Board consists of 11 members.

The Council as a Whole Committee recommended the following Ordinance be adopted by vote of 10 in favor and 0 opposed. 10 members present. Board consists of 11 members.

037-18. AN ORDINANCE: That Paragraph A of Section 132-64 of the City Code, entitled "Prohibited Acts", shall be amended by inserting the words, "drugs, marijuana," after the words "any other private or public property where"; by inserting the words "drugs, marijuana," after the words "an underage person will or does consume any"; by inserting the words "drugs, marijuana," before the words "alcohol or alcoholic beverage with the intent to consume it" As outlined in the enclosed Ordinance.

Reports of
Committees

Council as a
Whole Committee

CITY OF FITCHBURG

IN THE YEAR

2018 FEB 14 AM 9:09
FITCHBURG CITY CLERK

AN ORDINANCE

Be it ordained by the City Council of the City of Fitchburg, as follows:

That Paragraph A of Section 132-64 of the City Code, entitled "Prohibited Acts", shall be amended by inserting the words, "drugs, marijuana," after the words "any other private or public property where"; by inserting the words "drugs, marijuana," after the words "an underage person will or does consume any"; by inserting the words "drugs, marijuana," before the words "alcohol or alcoholic beverage with the intent to consume it". The amended ordinance shall read as follows:

"§132-64 Prohibited Acts

A. It is unlawful for any person to host or allow an event or gathering at any residence or premises or on any other private or public property where drugs, marijuana, alcohol or alcoholic beverages are present, when the person knows or reasonably should know that an underage person will or does consume any drugs, marijuana, alcohol or alcoholic beverage, or possess any drugs, marijuana, alcohol or alcoholic beverage with the intent to consume it, and the person fails to take reasonable steps to prevent possession or consumption by the underage person.

B. A person shall be deemed in violation of this article if the person intentionally aides, advises, hires, counsels or conspires with or otherwise procures another to commit the prohibited act.

C. A person who hosts an event or gathering does not have to be physically present at the event or gathering to be found responsible."

FOR REASON SAYS, in order to regulate the lawful cultivation, production, sale and consumption of non-medical marijuana for the public health, safety and welfare as the same may be permitted by G.L. c. 94G.

Report read and accepted. Ordinance was passed to a first and second reading and ordered advertised by unanimous vote. 11 present. Board consists of 11 members.

Reports of
Committees

Finance Committee

Finance Committee Oral Report
Meeting of March 15, 2018

The Finance Committee recommended the following Order be Adopted:

043-18. ORDERED THAT: The City of Fitchburg hereby approves the expenditure of funds from the Massachusetts Executive Office of Public Safety and Security grant in the approximate amount of \$55,000.00 (FIFTY-FIVE THOUSAND AND 00/100 DOLLARS) for the purpose of said grant, which is to support the Domestic Violence Advocate position within the Police Department.

Report accepted. Order adopted by unanimous vote. 11 members present. Board consists of 11 members.
Order signed by the Mayor March 21, 2018.

The Finance Committee recommended the following Communication be granted:

COMMUNICATION: from the Mayor concerning the Community Development Block Grant Program for year 44.



STEPHEN L. DINATALE
MAYOR

166 BOULDER DRIVE
FITCHBURG, MA 01420
TEL (978) 829-1801

February 28, 2018

President Michael Kushmerek
Fitchburg City Council
166 Boulder Drive
Fitchburg, MA 01420

Dear President Kushmerek:

In consideration of the recommendation of the Planning Board and comments by various citizens regarding the Year 44 Community Development Block Grant Program (CDBG), I hereby submit to the City Council the following Year 44 CDBG application for your review. Attached please find Year 44 Estimated Funding, Year 44 Funding Requested and Year 44 Funding Recommended.

The Year 44 Consolidated Plan must be submitted to the Department of Housing and Urban Development no later than May 15, 2018 to ensure funds will be available by July 1, 2018. In order to meet the submitted deadline for our Year 44 CDBG program, comments must be received by the City Council's March 20, 2018 meeting.

Sincerely,

A handwritten signature in dark ink, appearing to read "Stephen L. DiNatale", is written over a horizontal line.

Stephen L. DiNatale
Mayor of Fitchburg

cc: Fitchburg City Council
Calvin Brooks, City Auditor
Sue Christensen, Community Development Administrator

The City of Fitchburg
Massachusetts
OFFICE OF THE MAYOR

RECEIVED CITY CLERK
2018 FEB 28 AM 9:29

AARON TOURIGNY
CHIEF OF STAFF
ATOURIGNY@FITCHBURGMA.GOV
JOAN DAVID
ADMINISTRATIVE AIDE
JDAVID@FITCHBURGMA.GOV

YEAR 44 ESTIMATED FUNDING

Estimated CDBG funds available for Year 44 (2018-2019) are as follows:

Estimated Year 44 Entitlement	*****Amount to be determined
Year 43 Entitlement	\$896,048
Estimated Program Income available from prior years (Misc)	\$ 43,370
Potential Misc. Program Income available in Year 44	\$ 1,500
<u>CDBG Housing Revolving Loan Funds:</u>	
Anticipated Program Income July 1, 2017 – June 30, 2018	\$ 68,686
Anticipated Fund Balance as of June 30, 2018	\$ 75,000
Potential Program Income from July 1, 2018 – June 30, 2019	\$ 69,600
<u>CDBG Business Revolving Loan Funds:</u>	
Anticipated Program Income July 1, 2017 – June 30, 2018	\$ 6,000
Anticipated Fund Balance as of June 30, 2018	\$ 6,500
Potential Program Income July 1, 2018 – June 30, 2019	\$ 30,571
<u>HOME Revolving Loan Funds:</u>	
Anticipated Program Income July 1, 2017 – June 30, 2018	\$ 72,240
Anticipated Fund Balance as of June 30, 2018	\$150,000
Potential Program Income July 1, 2018 – June 30, 2019	\$ 69,600

*** This figure may fluctuate pending budget approval by Congress

Reports of
Committees

Finance Committee

ESTIMATED FUNDS AVAILABLE: \$ 940,918.00**CDBG YEAR 44 FUNDING REQUESTED**

PUBLIC FACILITIES AND IMPROVEMENTS (6)	\$ 173,799.00
PUBLIC SERVICES (8)	\$ 291,000.00
ECONOMIC DEVELOPMENT (3)	\$ 157,500.00
REHABILITATION AND PRESERVATION (4)	\$ 317,000.00
CLEARANCE ACTIVITIES (1)	\$ 250,000.00
PLANNING AND ADMINISTRATION (1)	\$ 182,000.00
TOTAL YEAR 44 FUNDING REQUESTS (23)	\$ 1,371,299.00

CDBG YEAR 44 FUNDING RECOMMENDED

PUBLIC FACILITIES AND IMPROVEMENTS (5)	\$ 137,000.00
PUBLIC SERVICES (6)	\$ 132,000.00
ECONOMIC DEVELOPMENT (2)	\$ 108,250.00
REHABILITATION AND PRESERVATION (2)	\$ 120,000.00
CLEARANCE ACTIVITIES (1)	\$ 264,668.00
PLANNING AND ADMINISTRATION (1)	\$ 179,000.00
TOTAL YEAR 44 FUNDING RECOMMENDED (17)	\$ 940,918.00

YEAR 44 PROPOSALS

PUBLIC FACILITIES AND IMPROVEMENTS

Sidewalk Accessibility **City of Fitchburg** **\$5,000.**
Improvements **Disability Commission**

Project funds will be used to bring city sidewalks into compliance with ADA requirements. The project involves adding/improving crosswalks and removal of curbs that are obstructing universal access along Water Street, including Water Street at Spruce Street; 350 Water near Fitchburg Green; Water at Boyle Court; and Water at Fifth Street. Also the Senior Center area – Wallace Ave., Elm Street, Grove Street. Approximately 20 architectural barriers will be removed. Work will be performed by the DPW to ADA standards.

Goodrich Playground **Board of Parks Commissioners** **\$45,000.**
Project

Project funds will be used to remove existing fencing surrounding the upper athletic facilities at Goodrich Playground and the demolition of the long deteriorating tennis courts. This will be followed by leveling and installation of loam within the confines of the old tennis courts and outfield for use as a multipurpose field and the installation of new fencing and backstops on the old baseball field as well as clayey of the infield. Work will be performed by the DPW and will be ADA compliant

Crocker Field Grandstand **City of Fitchburg School** **\$8,000.**
Wall Restoration **Department**

Project funds will be used to remove and replace three (3) sections of wall; each section in 43" high x 30 feet long located at the front row of seats in Sections 10, 11 and 12 of the open grandstands. This wall is currently structurally unsound, according to a Registered Professional Structural Engineer, creating a safety hazard. Funding provided by CDBG will be matched equally by the School Department. Fitchburg DPW will perform design work and develop technical specifications.

Streetscape Improvements **Community Development** **\$74,526.**

Project funds will be used to design, install or replace sidewalks, curb-cuts, fencing, lighting, plantings or other streetscape or accessibility improvements along City Gateways, North of Main or other strategic locations. Funds may support or be used as a match for other funding under the city's Complete Streets program or be used to apply and provide design or match for the next round of MassWorks Public Infrastructure grant program.

Handicapped Accessibility **Fitchburg Historical** **\$4,474.**
Improvements **Society**

Project funds will be used to address obstacles to ADA accessibility. Handicapped elevator improvements in elevator control room; new exterior lighting at handicapped parking/entrance; newly painted symbols and lines on handicapped parking spaces and new track lighting fixtures for brighter light in public exhibition and program area. Work will be ADA compliant.

5 Proposals - \$137,000.

Reports of
Committees

Finance Committee

PUBLIC SERVICES**Street Homeless
Intervention Program****Our Father's House****\$28,000.**

Summary: Project funds will be used to pay staff salary for a 20 hour per week Street Outreach Worker solely dedicated to the homeless within the City of Fitchburg. Connections to health and social services, mental health and addiction services will be offered along with food, clothing blankets and human contact. Will work with Fitchburg PD and FD. In addition, \$8,000. would be available to pay for a chronically homeless persons first month's rent only or one-time payment in order to enable individuals to acquire and live in permanent housing and off the streets.

**Building Empowered
Youth & Families****MOC as management
company of United
Neighbors of Fitchburg, Inc.****\$10,000.**

Project funds will be used to provide, information and referral, food pantry and bi-lingual services to at United Neighbors of Fitchburg facility. Youth programs will be offered including after-school programs for teens and kids and Teen Night programs incorporating homework help; recreation and exercise programs; leadership development and civic engagement. Funds will partially pay for staff salaries for Program Director, Afterschool Coordinator, Afterschool program assistant and Administrative support as well as buildings and equipment. It is estimated that 110 (unduplicated count) will be served.

Spartacus Program**Montachusett Regional YMCA****\$10,000.**

Project funds will be used to support staff salary of the Teen Center Spartacus Program, offering services to at-risk youth between the ages of 13 and 18 who live in Fitchburg. Emphasis will be on Youth Development, Healthy Living and Social Responsibility through physical fitness, team building, life skills training and outdoor activities. It is estimated that 60 youth (unduplicated count) will be served between September and June.

**Drug Enforcement
Patrol Program****Fitchburg Police Dept.****\$60,000.**

Project funds will be used to provide for police overtime expenses related to drug investigation activities in the CDBG Strategy Area and foot/motorcycle/bicycle patrols in targeted CDBG areas. Police activities include narcotics investigations, surveillance, undercover buys, search warrant services and arrests. CDBG funds will be used by the Drug Suppression Unit to conduct thorough investigations on mid to high level dealers in the City of Fitchburg, particularly targeting the heroin and opioid market in designated CDBG areas.

**Transportation Services
to Afterschool Program,
Project Learn STEAM****Boys & Girls Club
of Fitchburg and Leominster****\$16,000.**

Project funds will be used to provide one-way transportation from Fitchburg schools to the Boys and Girls Club Afterschool Program located at 365 Lindell Street in Leominster. The Fitchburg schools include: Memorial, South Street, Reingold, Crocker, McKay, Longsjo, Sizer and Fitchburg High School. It is estimated that approximately 1,440 transportation trips will be provided and 300 Fitchburg youth (unduplicated) served.

**MIHN Family Housing/
Family Pathways Project****Montachusett Interfaith
Hospitality Network****\$8,000.**

Project funds will provide emergency housing for homeless families in North Worcester County, including case management and follow up services. It is estimated MIHN will screen at least 250 referrals during the year, and will continue to try to meet the goal of serving 30 Fitchburg residents (unduplicated count) in the shelter and emergency services. The CDBG funds will be used to partially pay for the MIHN Operations Manager salary costs.

6 Proposals - \$132,000.

ECONOMIC DEVELOPMENT

Small Business **NewVue Communities** **\$21,000.**
Technical Assistance
Program

Project funds will provide outreach and technical assistance to businesses. This program leverages loans for small businesses. It is estimated that 40 businesses will be served (unduplicated count), 65 jobs will be created/retained, 43 businesses will be counseled, 4 loans with a value of \$100,000 total will be facilitated and 26 business plans developed. Funds will be used to pay staff salary.

CDBG Business Loans **Fitchburg Comm Development** **\$87,250.**
and Grants **Department**

Summary: Program funds will provide grant incentives for building owners with prospective tenants in the Main Street commercial district to encourage accessibility improvements such as elevators or lifts and code improvements including sprinkler systems, grease traps, venting and other missing elements required by code for the proposed use. al district to encourage accessibility improvements such as elevators or lifts. It is estimated that 3-5 businesses (unduplicated count) will be served; 2-6 full time equivalent jobs will be created and 1-2 units will be made handicapped accessible

2 Proposals - \$108,250.

REHABILITATION AND PRESERVATION

Code Enforcement **Fitchburg BOH** **\$100,000.**

Project funds will be used to pay 100% of two existing full-time BOH Inspector positions and 50% of one full-time Clerk position. Through the enforcement of the State's Sanitary and Building Codes, Fitchburg's housing stock will be greatly improved. To be eligible, this activity must be part of a comprehensive strategy to arrest deterioration, including housing rehab and demolition. It is estimated that 1,000 housing units (duplicated count) will be inspected in the CDBG strategy area.

IdeaLab Build Out **Fitchburg State University** **\$20,000.**

Project funds will be used to support the build-out of the IdeaLab located in the Historic Theater Block of Main Street. In partnership with NewVue Communities and the City of Fitchburg, Fitchburg State University has developed a plan to jump-start the local economy by sparking entrepreneurial activity in the heart of downtown Fitchburg. Part of phase one, the IdeaLab consists of approximately 2,000 square feet of flexible space that will be used to launch small businesses by providing them with flexible, affordable, state-of-the-art commercial space as well as on-site technical assistance provided by NewVue Communities. CDBG funding will support critical needs including finishes, tel/data wiring, shared business equipment and shared workstations.

2 Proposals - \$120,000.

Reports of
Committees

Finance Committee

CLEARANCE ACTIVITIES

Demolition

Fitchburg Community
Development Department

\$264,668.

Project funds will be used to remove abandoned structures which pose an imminent threat to public safety and which contribute to slums and blight. The entire City will be served but the principal benefit will accrue to the CDBG Strategy Area in which the proposed activities will take place. It is estimated that 7 buildings containing up to 21 units will be demolished. Consultants will be hired for specific expertise such as environmental assessment or engineering services.

1 Proposal - \$264,668.

PLANNING AND ADMINISTRATION

CDBG Administration

Fitchburg Community
Development Department

\$179,000.

Project funds will provide for the necessary administration of CDBG programs and sub-recipient contracts in accordance with federal guidelines, including staffing, technical services and planning activities. This also includes the cost of various activities such as the Consolidated Plan; Consolidated Annual Performance Report; Analysis of Impediments to Fair Housing and other strategic plans and services. These funds enable the City to apply for, receive and administer additional federal and state grants. In the previous year, \$8,640,178.00 dollars in related grants were obtained.

1 Proposal - \$179,000.

Report accepted. Communication granted by unanimous vote. 11
members present. Board consists of 11 members.

ORDERS-FINANCE

053-18. ORDERED THAT: The City of Fitchburg appropriated the amount of \$1,000,000.00 in order #005-2018, for the purpose of paying the cost of a feasibility study on Crocker Elementary School, and the MA School Building Authority requires the Fitchburg City Council to authorize the City to enter into and be bound by the attached Feasibility Study Agreement.

City of Fitchburg

FITCHBURG CITY CLERK

In City Council,

2018 MAR 15 AM 10:16

ORDERED:— That

WHEREAS: it is the opinion of the City Council in order 005-2018 that the City of Fitchburg appropriate the amount of One Million (\$1,000,000.00) Dollars for the purpose of paying costs of feasibility study on Crocker Elementary School, 200 Bigelow Drive, Fitchburg MA for K-4 or K-8 project; and,

WHEREAS: the Feasibility Study is one step in the multi-step process of the Massachusetts School Building Authority grant program for school building construction and renovation projects, and the invitation to collaborate on conducting and/or reviewing a Feasibility Study is not approval of a project or any funding by the Massachusetts School Building Authority, except as expressly provided in the attached agreement; and,

WHEREAS: the Massachusetts School Building Authority requires the Fitchburg City Council to authorize the City to enter into and be bound by the attached Feasibility Study Agreement.

NOW THEREFORE, IT IS ORDERED that the Honorable Mayor Stephen L. DiNatale execute and deliver any and all documents necessary, convenient, and helpful to facilitate said agreement and does hereby ratify said agreement.

Order was adopted under Suspension of the Rules by unanimous vote. 11 members present. Board consists of 11 members.
Order was signed by the Mayor March 21, 2017.
The Feasibility Study Agreement is attached.

Orders-Finance



Deborah B. Goldberg
Chairman, State Treasurer

James A. MacDonald
Chief Executive Officer

John K. McCarthy
Executive Director / Deputy CEO

March 1, 2018

Via US mail (with enclosures) and email (with attachments) to:

The Honorable Stephen L. DiNatale, Mayor
City of Fitchburg
166 Boulder Drive, Suite 108
Fitchburg, MA 01420

RE: Fitchburg Feasibility Study Agreement
Crocker Elementary School (MSBA Project No. 201600970016)

Dear Mayor DiNatale:

Attached, please find the Feasibility Study Agreement (the "FSA") and Exhibits A-C for the Crocker Elementary School in the City of Fitchburg (the "City"). The City must submit three (3) original signed copies of the FSA with Exhibits A-C, one of which will be returned to the City after it has been signed by the Massachusetts School Building Authority's ("MSBA's") Executive Director. **Please return the three signed copies to the MSBA as soon as possible but no later than 21 days from the date of this letter.**

Please do not date the Agreement on pages 1 and 18. The FSA will be dated by the MSBA when the MSBA's Executive Director signs the Agreement.

The City must also submit two (2) original copies of the attached Certification of Legal Counsel, which also is being sent via e-mail as a word document to enable the City's legal counsel to put the certification on his/her letterhead. The Certification of Legal Counsel requires the City's legal counsel to certify which local public official or governmental body (the "Local Governing Body") has the full legal authority to execute the FSA on behalf of the City and to bind the City to its terms. The City should keep a separate copy of the certification for the City's records.

In addition, the City will need to provide a certified copy of the vote of the Local Governing Body authorizing the City to enter into and be bound by the FSA, where required by local charters, ordinances, or by-laws.

Further, unless it has already been submitted to the MSBA, the City will need to provide a certified copy of the vote of the Local Governing Body appropriating and authorizing the **full** amount of the feasibility study's cost, including both the local share and the MSBA's share, if any.

The required documents, which include: (1) three original signed copies of the FSA with Exhibits A-C attached, (2) two original signed copies of the Certification of Legal Counsel, (3) a certified copy of the

City of Fitchburg,

March 20, 2018

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vote authorizing the City to enter into and be bound by the FSA, where required by local charters, ordinances or by-laws, and (4) a certified copy of the vote of the Local Governing Body appropriating and authorizing the **full** amount of the feasibility study's cost, unless already submitted to the MSBA, should be mailed to my attention at the address below.

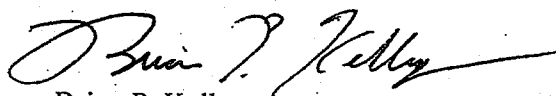
Massachusetts School Building Authority
40 Broad Street, Suite 500
Boston, MA 02109

Once these requirements have been satisfied and the FSA has been executed, the City can begin submitting requests for reimbursement for the Feasibility Study costs to the MSBA.

Please note, the MSBA generally makes reimbursement payments through electronic fund transfers and has banking information on file for most communities that was supplied for previous school projects. Please notify the MSBA if the City's banking information has changed or if the City would like to use a different account at this time.

If you have any questions, please contact either Jess Deleconio or me at the MSBA.

Regards,



Brian P. Kelley
Associate General Counsel

Enclosures/Attachments

cc: Legislative Delegation

Michael P. Kushmerek, President, Fitchburg City Council

Peter Stephens, Vice Chair, Fitchburg School Committee

André Ravenelle, Superintendent, Fitchburg Public Schools

Robert Jökela, Assistant Superintendent of Finance and Operations, Fitchburg Public Schools

File: 10.2 Letters (Region 2)

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**MASSACHUSETTS SCHOOL BUILDING AUTHORITY
FEASIBILITY STUDY AGREEMENT**

This Feasibility Study Agreement, dated the ____ day of _____, 2018 (the "Agreement") is between the Massachusetts School Building Authority (the "**Authority**"), a public instrumentality of the Commonwealth of Massachusetts established by Chapter 70B of the Massachusetts General Laws and Chapters 208 & 210 of the Acts of 2004 of the Commonwealth, in each case as amended from time to time, and the City of Fitchburg (the "**District**").

WHEREAS, the District submitted a Statement of Interest to the Authority for the Crocker Elementary School (hereinafter "**School**"), and the District prioritized this Statement of Interest as its priority to receive any potential funding from the Authority;

WHEREAS, on February 15, 2017, the Board of Directors of the Authority voted to invite the District to the MSBA's Eligibility Period, and on May 1, 2017, the Board of Directors of the Authority voted to invite the District to commence the Eligibility Period, and the District has completed all applicable preliminary requirements to the satisfaction of the MSBA;

WHEREAS, on February 14, 2018, the Board of Directors of the Authority shall have voted to authorize the Parties to enter into this Agreement upon the terms and conditions stated herein.

WHEREAS, the Feasibility Study is one step in the multi-step process of the Authority's grant program for school building construction and renovation projects, and the invitation to collaborate on conducting and/or reviewing a Feasibility Study is not approval of a project or any funding by the Authority, except as expressly provided in this Agreement;

WHEREAS, the Authority's grant program for school building renovation and construction projects is a non-entitlement, discretionary program based on need, as determined by the Authority;

WHEREAS, the District has submitted a signed Initial Compliance Certification, as described in 963 CMR 2.02, 2.03 & 2.10(2), in the form prescribed by the Authority, and it has been accepted by the Authority;

WHEREAS, the District has formed a School Building Committee to monitor the Feasibility Study and advise the District during the study;

WHEREAS, the Authority may reimburse the District for a portion of eligible, approved costs incurred in connection with the Feasibility Study undertaken by the District for the School under certain terms and conditions, hereinafter provided, and subject to the provisions of M.G.L. c. 70B, 963 CMR 2.00 *et seq.* and all applicable policies and guidelines of the Authority.

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NOW THEREFORE, in consideration of the promises and the agreements, provisions and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Authority and the District (together, the "Parties") agree as follows:

SECTION 1 DEFINITIONS

- 1.1 Capitalized terms not specifically defined in this Definitions section shall have the meanings ascribed to them in either M.G.L. c. 70B or 963 CMR 2.00 *et seq.*

"Budget" shall mean a complete and full enumeration of all costs, including both hard costs and soft costs, so-called, that the District reasonably estimates, to the best of its knowledge and belief, will be incurred in connection with the planning, development, and the completion of the Feasibility Study, which Budget shall be approved by the Authority and attached hereto as **Exhibit A**, as it may be updated from time to time.

"Design Contract" shall mean the standard design contract developed and prescribed by the Authority, as it may be amended by the Authority from time to time that shall be executed by the District and the Designer for design services related to the Proposed Project.

"Designer" shall mean the individual, corporation, partnership, sole proprietorship, joint stock company, joint venture, or other entity engaged in the practice of architecture, landscape architecture, or engineering that meets the requirements of M.G.L. c. 7C, § 44 and has been procured and contracted by the District to conduct a Feasibility Study, in accordance with the provisions of Sections 2.1(a)(i) and 2.1(a)(ii) of this Agreement.

"Excusable Delay" shall mean a delay of the Feasibility Study that either (a) is solely because of a natural event, such as flood, storms, or lightning, that is not preventable by any human agency, or (b) is reasonably determined by the Authority to be excusable.

"Feasibility Study" shall mean a study as described in 963 CMR 2.10(8) and in any applicable policies and guidelines of the Authority and, in relation to a Major Reconstruction Project or Repair Project, as described in M.G.L. c. 70B, 963 CMR 2.00 *et seq.* and any applicable policies and guidelines of the Authority, shall also include an engineering study, in a format prescribed by or otherwise acceptable to the Authority, to investigate potential options and solutions, including cost estimates, for the deficiencies and issues identified in the Statement of Interest or as otherwise determined by the Authority.

"Owner's Project Manager" shall mean the individual corporation, partnership, sole proprietorship, joint stock company, joint venture, or other entity under contract

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with, designated, or assigned by the District and approved by the Authority, to fully and completely manage and coordinate administration of the Project to completion. The Owner's Project Manager must meet the qualifications set forth in M.G.L. c. 149, § 44A ½, 963 CMR 2.00 *et seq.*, and all applicable policies and guidelines of the Authority.

"Scope" shall mean the scope of the Feasibility Study as described in 963 CMR 2.10(8) and any applicable policies and guidelines of the Authority or as otherwise determined in writing by the Authority and as more fully described in **Exhibit B** attached hereto, as it may be updated from time to time as mutually agreed upon by the District and the Authority.

"Schedule" shall mean the schedule for the Feasibility Study, which schedule shall be updated from time to time and approved by the Authority.

"School" shall mean the Crocker Elementary School located in the District.

"Statement of Interest" shall mean the Statement of Interest, as defined in 963 CMR 2.09 and all applicable policies and guidelines of the Authority, submitted to the Authority by the District for the School.

SECTION 2 FEASIBILITY STUDY

Subject to the terms and conditions of this Agreement, and in reliance on the representations, warranties and covenants contained herein, the Parties hereby agree as follows:

2.1 Feasibility Study.

- (a.) The Parties hereby agree that the District shall undertake a Feasibility Study to investigate potential options and solutions, including cost estimates, to the School's deficiencies and issues as identified in the Statement of Interest or as otherwise determined by the Authority and in accordance with the Scope, Budget, and Schedule approved by the Authority. The adequacy, sufficiency and/or acceptability of a Feasibility Study or a Prior Study, as defined in Section 2.1(c) of this Agreement, for the purposes of the Authority's grant program shall be determined by the Authority within its sole discretion. Any determination by the Authority that a Feasibility Study or Prior Study is adequate, sufficient or acceptable for the Authority's purposes shall not be construed as a certification or approval by the Authority of the studies, plans, drawings, designs, cost estimates, specifications or any other information or materials contained therein. The District, its officials, employees and agents are and shall remain responsible for the Feasibility Study and/or Prior Study and the building designs, site plans, drawings, cost estimates, specifications and

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other materials and information relative thereto that the District submits to the Authority. The Authority's review of the Feasibility Study and/or Prior Study and any studies, plans, drawings, designs, cost estimates, specifications or any other information or materials contained therein or related thereto is solely for the purpose of determining whether they meet the provisions of this Agreement and the Authority's regulations, standards, policies, guidelines and other requirements and whether the District will be eligible for potential funding from the Authority for the Proposed Project. Approval of a Proposed Project shall only be determined by a vote of the Authority's Board in accordance with 963 CMR 2.00 *et seq.* and the applicable policies and guidelines of the Authority.

- (i.) The District shall procure a Designer to conduct the Feasibility Study pursuant to the provisions of M.G.L. c. 7C, § 44 through 58, 963 CMR 2.10(8), 963 CMR 2.12, and any other applicable laws and regulations; provided, however, that if the estimated construction cost of the Proposed Project is determined to be more than five million dollars (\$5,000,000), then the District shall select the Feasibility Study Designer using the Authority's Designer Selection Panel in accordance with 963 CMR 2.00 *et seq.* and all applicable policies and guidelines of the Authority. The District shall not use a Designer who was procured by the District prior to July 1, 2007, to conduct the Feasibility Study, unless the Designer is acceptable to the Authority. It is further provided that, if said Designer who was procured by the District prior to July 1, 2007, is unacceptable to the Authority, the District shall conduct a new procurement for a Feasibility Study Designer pursuant to the applicable provisions of M.G.L. c. 7C, § 44 through 58, 963 CMR 2.10(8), 963 CMR 2.12, and any rules, regulations, policies and guidelines of the Authority.
- (ii.) The District shall use the Authority's Design Contract to contract with the Designer for the Feasibility Study. The District shall monitor the performance of the Designer and shall require the Designer to fully comply with all provisions of the Design Contract, including, but not limited to, all provisions affecting the interests of the Authority.

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(iii.)

If, at any time, the construction cost of the Proposed Project is estimated to be more than one million five hundred thousand dollars (\$1,500,000), or if the construction cost of the Proposed Project is estimated to be equal to or less than one million five hundred thousand dollars (\$1,500,000) and the Authority so requires, at any time, as a condition to qualify for funding by the Authority, the District shall procure and maintain under contract, or otherwise assign, an Owner's Project Manager, pursuant to M.G.L. c. 149, § 44A ½, 963 CMR 2.00, *et seq.* and any applicable policies and guidelines of the Authority. The selection of an Owner's Project Manager shall be subject to the review and approval of the Authority as required by M.G.L. 70B, 963 CMR 2.00, *et seq.*, and any applicable policies and guidelines of the Authority. Any costs associated with an Owner's Project Manager who is not approved by the Authority shall not be eligible for reimbursement.

(iv.)

Where applicable, the District shall use the Authority's model request for services and standard contract to procure and contract with any Owner's Project Manager for the Proposed Project, including the Feasibility Study stage of the Proposed Project. The District shall monitor the performance of the Owner's Project Manager and shall require the Owner's Project Manager to fully comply with all provisions of the contract between the District and the Owner's Project Manager including, but not limited to, all provisions affecting the interests of the Authority.

- (b.) Subject to the satisfaction of or compliance with, as reasonably determined by the Authority, all of the terms and conditions of this Agreement, the applicable provisions of M.G.L. c. 70B, Chapters 208 and 210 of the Acts of 2004, and 963 CMR 2.00 *et seq.* and any other rule, regulation, policy or guideline of the Authority, and further subject to the Authority's approval of the Scope, Budget and Schedule and the District's approval, authorization and appropriation for the Feasibility Study using forms prescribed by or otherwise acceptable to the Authority, the Authority hereby agrees to pay to the District an amount that shall under no circumstances exceed the lesser of (i) 80.00% of the eligible, approved costs of the Feasibility Study, as determined by the Authority, or (ii) \$800,000.00. The Parties hereby acknowledge and agree that \$800,000.00

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is the maximum amount of funding that the District may receive from the Authority for the Feasibility Study, and that the final amount of eligible Feasibility Study costs approved by the Authority may equal an amount less than \$800,000.00, as determined by an audit or audits conducted by the Authority. Any costs and expenditures that are determined by the Authority to be either in excess of the \$800,000.00 or ineligible for payment by the Authority shall be the sole responsibility of the District. The reimbursement rate set forth above, and as more fully described in the Reimbursement Rate Summary, attached hereto as **Exhibit "C"**, is the rate at which the District may be reimbursed for the eligible, approved costs of the Feasibility Study.

In the event that the Authority reasonably determines that the Feasibility Study is not in accordance or compliance with the Scope, Schedule, Budget, all of the terms and conditions of this Agreement, the provisions of M.G.L. c. 70B, Chapters 208 and 210 of the Acts of 2004, 963 CMR 2.00 *et seq.* and any other rule, regulation, policy or guideline of the Authority, or is delayed (other than an Excusable Delay) or is not duly authorized, approved and funded by the District in accordance with applicable law and as required by the Authority, then the Authority may temporarily and/or permanently withhold payments to the District for any eligible, approved costs of the Feasibility Study, provided that the Authority shall not unreasonably withhold any such payments and further provided that the Authority shall give written notice to the District of any such withholding. Notwithstanding the foregoing, failure by the Authority to provide such written notice timely shall not create or result in any entitlement to payment for the District. In the event that the Authority either temporarily or permanently withholds payment for the Feasibility Study, the District hereby agrees and acknowledges that the Authority shall have no liability for any such withholding of payment or any loss that may occur as a result of any such withholding of payment.

The District shall not be eligible to receive any funding for the Authority's share of the eligible, approved Feasibility Study costs, or any portion thereof, unless and until the Authority has approved the Scope, Budget, and Schedule. The Authority shall reimburse the District only for costs incurred by the District in connection with the Feasibility Study that are timely submitted to the Authority, eligible for reimbursement pursuant to Authority policies, procedures, and guidelines, and audited and approved by the Authority.

- (c) Notwithstanding the provisions of Section 2.1(a) above, in the event that the District commenced a feasibility study unilaterally or without the prior written acknowledgement and concurrence of the Authority in connection with the deficiencies and issues identified in the Statement of Interest or as otherwise determined by the Authority (hereinafter "Prior Study"), and,

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after review, the Authority has determined in writing that the Prior Study is adequate and meets the needs of the Authority, in whole or in part, the District may submit to the Authority requests for reimbursement of costs related to the Prior Study subject to the provisions of Section 2.1 (b), Section 4 and any other applicable provisions of this Agreement. The District acknowledges and agrees that any costs incurred by the District in relation to the Prior Study may not be eligible for reimbursement. In the event that any such costs are determined to be eligible, approved costs by the Authority, they shall be subject to the provisional reimbursement rate set forth in Section 2.1(b) of this Agreement and shall be subject to audit by the Authority. The District further acknowledges and agrees that, notwithstanding a determination by the Authority that the Prior Study is adequate and meets the Authority's needs, in whole or in part, the Authority may require the District to conduct a new or supplemental Feasibility Study, in accordance with, and as described in, the Budget, Scope and Schedule. The District further acknowledges and agrees that costs incurred in connection with a Prior Study that (i) does not meet the needs of the Authority, in whole or in part, as determined by the Authority, or (ii) was conducted after September 22, 2006, shall not be eligible for reimbursement.

2.2 Term of Agreement.

This Agreement shall terminate upon (1) approval of a Project Scope and Budget Agreement for the Proposed Project by the Authority's Board and (2) execution of said Project Scope and Budget Agreement by the Authority and the District or it shall terminate on August 15, 2020 or whichever occurs sooner.

SECTION 3 COVENANTS

The District covenants and agrees that as long as this Agreement is in effect, the District shall and shall cause its employees, officers, agents, and representatives to perform and comply with all covenants of this Agreement.

3.1 The District hereby agrees that it shall make available for inspection by, and submit to, the Authority any and all information and documentation related to the Feasibility Study, including, but not limited to budget information, progress reports, and draft copies that may be requested by the Authority, promptly and in no event later than the deadline stated in any such request.

3.2 The District hereby agrees that it shall work with the Authority in developing the Scope, Budget and Schedule for the Feasibility Study and it acknowledges and agrees that the Authority's funding for the Feasibility Study is subject to the Authority's approval of the Scope, Budget and Schedule.

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3.3 The District hereby acknowledges and agrees that the Authority shall not provide any amounts in excess of the amount determined under Section 2.1(b) of this Agreement.

3.4 The District hereby acknowledges and agrees that the Authority may, in its sole discretion, determine that certain costs incurred by the District in connection with the Feasibility Study are not eligible for reimbursement by the Authority, pursuant to any applicable provisions of M.G.L. c. 70B, 963 CMR 2.00 *et seq.*, including, but not limited to, sections 2.10 & 2.16(5), and any other policies and guidelines of the Authority.

3.5 The District shall comply with all provisions of this Agreement; the provisions of all other agreements between the Authority and the District that relate to the Feasibility Study; the provisions of M.G.L. c. 70B, 963 CMR 2.00 *et seq.*, and all policies and guidelines of the Authority; and all provisions of law applicable to the Feasibility Study, this Agreement, and any other agreements and documents related to the Feasibility Study, and shall take all action necessary to fulfill its obligations under this Agreement.

3.6 The District hereby acknowledges and agrees that the Authority shall not be required or obligated to make any payment for any eligible Feasibility Study costs while an Event of Default, as defined in section 8 of this Agreement, shall have occurred.

3.7 The District shall, and shall cause any Owner's Project Manager and Designer and their employees, subconsultants and agents to, keep adequate records of the Feasibility Study and make all Feasibility Study records and the Feasibility Study site(s) available to the Authority or representatives of the Authority for review during the course of the Feasibility Study.

3.8 The District hereby acknowledges and agrees that the duties of any Owner's Project Manager hired by and/or assigned to the Proposed Project by the District shall include, but not be limited to, fully and completely managing and coordinating on behalf of the District the administration of the Feasibility Study to completion. Any Owner's Project Manager hired by and/or assigned to the Proposed Project by the District shall be responsible for overseeing, tracking, and managing the Budget and Schedule. In the event that an Owner's Project Manager is not required for the Proposed Project, the District shall have the aforesaid duties and responsibilities in addition to any others imposed by M.G.L. c. 70B, 963 CMR, *et seq.*, the policies and guidelines of the Authority, and any other applicable provisions of law.

3.9 The District hereby agrees that the Authority shall have free access to, and open communication with, any Owner's Project Manager hired by and/or assigned to the Proposed Project by the District and that the Authority shall have full and complete access to all information and documentation relating to the Proposed Project to the same extent that the District has such access. The District agrees that it shall require any such Owner's Project Manager to fully cooperate with the Authority in all matters related to the Proposed Project; to promptly communicate, transmit, and/or make available for inspection and copying any and all information and documentation requested by the Authority; to fully, accurately and promptly complete all forms and writings requested by

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the Authority; and to give complete, accurate, and prompt responses to any and all questions, inquiries and requests for information posed by the Authority. The District agrees that it shall not in any way, directly or indirectly, limit, obstruct, censor, hinder or otherwise interfere with the free flow of communication and information between the Owner's Project Manager and the Authority in all matters related to the Proposed Project and as provided herein; that it shall not suffer the same to occur by the act or omission of any other person or entity; and that it shall not retaliate against the Owner's Project Manager for communicating information to the Authority as provided herein. The District agrees to execute, deliver and/or communicate to the Owner's Project Manager any and all authorizations, approvals, waivers, agreements, directives, and actions that are necessary to fulfill its obligations under this paragraph. The District further agrees that the Authority shall bear no liability whatsoever arising out of the Authority's knowledge or receipt of information communicated to the Authority by the Owner's Project Manager and that the District shall remain responsible for the management and completion of the Proposed Project.

3.10 The District hereby acknowledges and agrees that the duties of the Designer shall include, but not be limited to, those described in this Agreement, including, but not limited to, the Scope attached hereto as Exhibit B; 963 CMR 2.10(8); any applicable rules, regulations, policies and guidelines of the Authority; and any standard scope of services and the Design Contract prescribed by the Authority.

3.11 The District hereby acknowledges and agrees that neither the District nor any of its employees, officials, agents, consultants or contractors shall submit any false or intentionally misleading information or documentation to the Authority in connection with this Feasibility Study Agreement or the Feasibility Study, and further acknowledges and agrees that the submission of any such information or documentation may cause the Authority to suspend, revoke or terminate any and all payments otherwise due to the District and/or recover any previous payments made to the District, and the District may be ineligible for any funding from the Authority. The District hereby further agrees that it shall have a continuing obligation to update and notify the Authority in writing when it knows or has any reason to know that any information or documentation submitted to the Authority contains false, misleading or incorrect information.

3.12 The District hereby acknowledges and agrees that the Authority shall bear no responsibility or liability of any sort for the results of any Feasibility Study, environmental assessment, geotechnical site testing, any necessary site remediation, clean-up, or other site remediation services.

3.13 The District hereby acknowledges and agrees that it shall provide a final Feasibility Study report to the Authority, which shall be in a format that is prescribed by or otherwise acceptable to the Authority.

3.14 The District hereby acknowledges and agrees that the Authority's grant program is a non-entitlement, discretionary program based on need, and the Feasibility Study may

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not result in a school construction, renovation or repair project that is eligible for funding by the Authority.

3.15 The District shall not combine, consolidate, or conjoin in any way the procurement, pre-qualification or selection of an Owner's Project Manager or Designer for the Proposed Project with the procurement, pre-qualification or selection of an Owner's Project Manager or Designer for any other construction, repair or renovation project without the express prior written approval of a duly authorized representative of the Authority. Any costs incurred by the District that relate to, or arise out of, the use of a combined, consolidated or conjoined procurement, pre-qualification or selection process as proscribed above, including, but not limited to, the preparation of bid documents, requests for services, and requests for qualifications, without the express prior written approval of a duly authorized representative of the Authority shall not be eligible for reimbursement.

SECTION 4 PAYMENTS AND AUDIT

4.1 Subject to the terms and conditions of the Agreement, the Authority shall reimburse the District for eligible, approved costs incurred in connection with the Feasibility Study in accordance with the following:

(a) Using the Authority's Pro-Pay system, the District shall submit requests for reimbursement on a monthly basis to the Authority in a format prescribed by the Authority. Each monthly request for reimbursement shall be approved locally by a duly authorized representative of the District, shall be in a form acceptable to the Authority, shall include reasonable detail, including, but not limited to (1) the amount of funding requested, (2) the nature of the materials or property or services received, (3) the total value of the work performed and materials furnished by the Owner's Project Manager, if any, the Designer, and each consultant, subconsultant or vendor to date, and (4) the value of the work completed during the Feasibility Study. The District agrees that each request for reimbursement shall be accompanied by the invoices for each of the amounts requisitioned and any other supporting documentation and information substantiating the District's request for reimbursement, as the Authority may request, in a form satisfactory to the Authority.

(b) Each request for reimbursement shall include a written certification signed by a duly authorized representative of the District stating that: (1) such request for reimbursement is solely for Feasibility Study costs, (2) the obligations itemized in the request for reimbursement have not been the basis for a prior request for reimbursement submitted by the District that has been paid or rejected by the Authority, (3) the reimbursement requested is due for work actually and properly performed or materials or property actually supplied prior to the date of the requisition, (4) the

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reimbursement requested is for costs that already have been duly paid by the District, and (5) such reimbursement requested is within the Budget approved by the Authority.

(c) The Authority shall review all requests for reimbursement properly submitted pursuant to this Agreement as soon as reasonably possible. The Authority shall not consider requests for reimbursement that are not, as reasonably determined by the Authority, (1) timely and properly submitted, (2) in accordance with the most recent Budget approved by the Authority, and (3) for eligible Feasibility Study costs incurred by the District. The District understands and agrees that no reimbursement shall be made by the Authority unless the District has complied with all of the terms and conditions of this Agreement, the applicable provisions of M.G.L. c. 70B, chapters 208 and 210 of the Acts of 2004, 963 CMR 2.00 *et seq.*, and all policies and guidelines of the Authority.

(d) After receipt from the District of a timely and properly submitted request for reimbursement pursuant to this Agreement, the Authority shall make payment to the District of the Authority's share of approved, eligible Feasibility Study costs, subject to the terms and conditions of this Agreement. The District hereby agrees and acknowledges that the amount of approved, eligible Feasibility Study costs reimbursed by the Authority may be subject to change, pending audit, including but not limited to an audit pursuant to Section 4.2 of this Agreement and the final close-out audit pursuant to Section 4.3 of this Agreement.

4.2 The Authority may review and perform a preliminary audit on each request for reimbursement submitted pursuant to this Agreement to ensure that only eligible costs of the Feasibility Study are approved and paid by the Authority. Any such preliminary audits shall be conducted in accordance with 963 CMR 2.16 and other policies and guidelines of the Authority. In the event that the Authority determines that an item contained in a request for reimbursement submitted by the District pursuant to this Agreement is not eligible for reimbursement by the Authority, the Authority shall adjust a subsequent reimbursement to the District to account for the ineligible costs. The District hereby acknowledges and agrees that each audit conducted pursuant to this Section 4.2 is preliminary, and the Authority may further adjust and alter the results of a preliminary audit after it conducts subsequent audits or a final close-out audit of the Feasibility Study.

4.3 The District hereby acknowledges and agrees that a final, close-out audit of the Feasibility Study by the Authority shall include an audit of all requests for reimbursement submitted and all reimbursements made by the Authority. The final, close-out audit shall be conducted in accordance with 963 CMR 2.16 and any other applicable regulations, policies and guidelines of the Authority. The District shall make all documents and materials requested by the Authority or its representatives available in a timely manner. The District further acknowledges and agrees that the final, close-out audit of the Feasibility Study may not occur until such time as the Authority conducts its final, close-

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out audit of the project that may result from the Feasibility Study, should the District be approved for any such project. Any adjustments applicable as a result of the final, close-out audit may be made in the final amount of the Total Facilities Grant, as determined by the Authority.

SECTION 5 REPRESENTATIONS AND WARRANTIES

The District hereby warrants and represents that each of the following statements is true, correct and complete:

5.1 The District is validly organized and existing under and by virtue of the laws of the Commonwealth, has full power and authority to own its properties and carry on its business as now conducted, and has full power and authority to execute, deliver and perform its obligations under this Agreement and all other documents related to the Feasibility Study.

5.2 The District is duly authorized to execute and deliver this Agreement and has taken all necessary steps to authorize the execution and delivery of this Agreement, to undertake the Feasibility Study and to perform and consummate all transactions contemplated by this Agreement.

5.3 The undersigned has the full legal authority to execute this Agreement on behalf of the District and to bind the District to its provisions.

5.4 This Agreement does not and will not, to any material extent, conflict with, or result in violation of any applicable provisions of law, including, but not limited to, any statute, charter, by-law, ordinance, rule or regulation, or any judgment, order, rule or regulation of any court or other agency of government.

5.5 The District has all requisite legal power and authority to own and operate the School that is the subject of the Feasibility Study and to undertake and oversee the Feasibility Study or, in the case of a school facility that is leased by the District, the District has all of the requisite legal power and authority to control and operate the School that is the subject of the Feasibility Study and to undertake and oversee the Feasibility Study pursuant to a lease which assures that the District has exclusive jurisdiction and control of the School and the land upon which it is situated for the anticipated useful life of the Proposed Project.

5.6 No information furnished by or on behalf of the District to the Authority in this Agreement, the Budget, the Initial Compliance Certification, or any other document, certificate or written statement furnished to the Authority in connection with the Feasibility Study contains any untrue statement of a material fact or omitted, omits or will omit to state a material fact necessary in order to make the statements contained in this Agreement or therein not misleading in light of the circumstances in which the same were made.

Orders-Finance

MSBA Identification Number: 201600970016
District: City of Fitchburg
Project Name: Crocker Elementary School

5.7 The District has duly obtained all necessary votes, resolutions, authorizations, appropriations and local approvals, in accordance with formats prescribed by or otherwise acceptable to the Authority, and has taken all actions necessary or required by law to enable it to enter into this Agreement and to fund and perform its obligations hereunder, in accordance with the Authority's guidelines, regulations, policies and standards. This Agreement constitutes a valid and binding obligation of the District, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization or other laws heretofore or hereafter enacted and general equity principles.

5.8 No litigation before or by any court, public board or body is pending or threatened against the District or the Authority seeking to restrain or enjoin the execution and delivery of this Agreement or the Feasibility Study, or contesting or affecting the validity of this Agreement or the power of the District to pay its share of the Feasibility Study.

5.9 The District has implemented policies and procedures to prevent and eliminate fraud, waste and abuse of public funds in connection with the Feasibility Study and any future construction or renovation projects that may be forthcoming as a result of the Feasibility Study.

5.10 The District has submitted all audit materials requested by the Authority in connection with any project for which the District has received or anticipates receiving funding from the Authority.

5.11 All meetings of all public bodies in the District that relate in any way to the Proposed Project, including, but not limited to, the meetings of the District's school building committee, have been conducted, and shall be conducted, in compliance with the provisions of G.L. c. 30A, §§ 18 – 25, 940 CMR 29.00 *et seq.*, the so-called Open Meeting Law, and all other applicable law.

SECTION 6 INSURANCE

6.1 The District shall obtain and maintain all insurance required by law and insurance of such types and limits and upon such terms and conditions as may be required by, or as may be acceptable to, the Authority.

6.2 The District shall require by contractual obligation, and shall also ensure by the exercise of due diligence, that any Designer hired by the District in connection with the Feasibility Study obtain and maintain, at a minimum, insurance of such types and limits and upon such terms and conditions as may be required by law and as may be prescribed by the Authority in the Design Contract between the Designer and the District.

6.3 Except where the Owner's Project Manager is an existing employee of the District, the District shall require by contractual obligation, and shall also ensure by the exercise of due diligence, that any Owner's Project Manager hired by the District obtain

MSBA Identification Number: 201600970016
District: City of Fitchburg
Project Name: Crocker Elementary School

and maintain, at a minimum, insurance of such types and limits and upon such terms and conditions as may be required by law and as may be prescribed by the Authority in its standard contract for Owner's Project Manager services which is incorporated by reference herein.

SECTION 7
COMPLIANCE WITH CONTRACT DOCUMENTS, PROJECT PERMITS AND
OTHER APPLICABLE LAW

7.1 The District shall take all reasonable actions designed to ensure that the Feasibility Study complies with all applicable contract documents, building codes, laws, rules and regulations and to ensure that all necessary project permits have been obtained. Notwithstanding any right of approval or review held or exercised by the Authority in connection with this Agreement or the Feasibility Study, the District shall be responsible for the successful performance and completion of the Feasibility Study in accordance with this Agreement, the Design Contract, design documents and project permits, if any, and for the economical and efficient operation and administration of the Feasibility Study.

SECTION 8
DEFAULTS AND REMEDIES

8.1 The occurrence of any of the following events shall constitute, and is herein defined to be, an Event of Default under this Agreement:

(a) If the District shall fail to perform and observe any covenant, agreement or condition on its part provided in this Agreement and such failure shall continue for a period of thirty (30) days after written notice thereof shall be given to the District by the Authority; provided if such failure cannot be remedied within such thirty (30) day period, it shall not constitute an Event of Default hereunder if corrective action satisfactory to the Authority, as determined by the Authority in writing, is instituted by the District within such period and diligently pursued until the failure is remedied. Any forbearance or failure of the Authority in giving such written notice shall not amount to any waiver of the Authority's rights under this Agreement as to the same or subsequent breaches and shall not preclude the Authority from pursuing any of its rights or remedies provided under this Agreement or as otherwise provided by law.

(b) If any representation or warranty made by the District in this Agreement or in any other agreement entered into by the District with the Authority shall prove to have been incorrect or to be misleading in any material respect.

8.2 If any Event of Default hereunder shall occur and be continuing, the Authority may proceed to protect its rights under this Agreement, and may: (a) terminate this Agreement, (b) permanently withhold or temporarily suspend payment of any eligible, approved costs to the District, (c) recover any payments of eligible, approved costs

Orders-Finance

MSBA Identification Number: 201600970016
District: City of Fitchburg
Project Name: Crocker Elementary School

previously made to the District, and/or (d) exercise any other right or remedy upon such default as may be granted to the Authority under this Agreement or under any other applicable provision of law.

8.3 No remedy conferred upon or reserved to the Authority is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy or power accruing upon any Event of Default shall impair any such right, remedy or power or shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as the Authority may deem expedient.

SECTION 9
OTHER TERMS

9.1 Governing Law. This Agreement shall be governed by, construed, and enforced in accordance with, the laws of the Commonwealth of Massachusetts.

9.2 Venue. Any civil action brought against the Authority by the District, or any person or entity claiming by, through or under it, that arises out of the provisions of this Agreement, shall only be brought in the Superior Court for Suffolk County, Massachusetts. The District, for itself and for any person or entity claiming by, through or under it, hereby waives any defenses that it may have as to the venue to which it has agreed herein, including, but not limited to, any claim that this venue is improper or that the forum is inconvenient. The District for itself and for any person or entity claiming by, through or under it, hereby waives all rights, if any, to a jury trial in any such civil action that may arise out of the provisions of this Agreement.

9.3 Indemnification of the Authority by the District. To the fullest extent permitted by law, the District shall indemnify and hold harmless the Authority and its officers, agents and employees from and against any and all claims, actions, damages, liabilities, injuries, costs, fees, expenses, or losses, including, without limitation, reasonable attorney's fees and costs of investigation and litigation, whatsoever which may be incurred by, or for which liability may be asserted against, the Authority or any of its officers, agents or employees arising out of any activities undertaken by, for, or on behalf of the District in the execution or implementation of this Agreement or with respect to the Feasibility Study, including, but not limited to, the performance of any contract or obligation directly or indirectly related to the Feasibility Study. Such obligation shall not be construed to negate or abridge any other obligation of indemnification running to the Authority which would otherwise exist.

9.4 Members, Employees Not Liable. No member or employee of the Authority shall be charged or held personally or contractually liable by or to the District under any term or provision of this Agreement or because of any breach thereof or because of its execution or attempted execution.

MSBA Identification Number: 201600970016
District: City of Fitchburg
Project Name: Crocker Elementary School

9.5 Assignability. The District shall not assign any interest, in whole or in part, in this Agreement and shall not transfer any interest in the same, whether by assignment or novation, without the prior written approval of the Authority.

9.6 Payment Not A Waiver.

The Authority's payment(s) to the District under this Agreement or its review, approval or acceptance of any actions by the District under this Agreement shall not operate as a waiver of any rights under this Agreement and the District shall remain liable to the Authority for all damages incurred by the Authority as a result of the District's failure to perform in accordance with the terms and conditions of this Agreement.

The rights and remedies of the Authority provided for under this Agreement are in addition to any other rights or remedies provided by law. The Authority may assert a right to recover damages by any appropriate means, including, but not limited to, set-off, suit, withholding, recoupment, or counterclaim either during or after performance of this Agreement.

9.7 Notices. Any notices required or permitted to be given by either of the Parties hereunder shall be given in writing and shall be delivered to the addressee (a) in-hand (b) by certified mail, postage prepaid, return receipt requested; (c) by facsimile; or (d) by a commercial overnight courier that guarantees next day delivery and provides a receipt, and such notices shall be addressed as follows:

If to the Authority:

Massachusetts School Building Authority
40 Broad Street, Suite 500
Boston, MA 02109
Attention: Director of Capital Planning
Facsimile: (617) 720-8460

If to the District:

Assistant Superintendent Finance & Operations
Fitchburg Public Schools
376 South Street
Fitchburg, MA 01420
Fax: 978-345-3219

or to such other address or addressee as the District and the Authority may from time to time specify in writing. Any notice shall be effective only upon receipt, which for any notice given by facsimile shall mean notice that has been received by the party to whom it is sent as evidenced by a confirmation slip that bears the time and date of receipt.

Orders-Finance

MSBA Identification Number: 201600970016
District: City of Fitchburg
Project Name: Crocker Elementary School

9.8 Severability. If any provisions of this Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

9.9 Counterparts. This Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments, and take such other actions as may be necessary to give effect to the terms of this Agreement.

9.10 No Waiver. No waiver by either party of any term or conditions of this Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase, or other provision of this Agreement.

9.11 Integration. This Agreement merges and supersedes all prior negotiations, representations, and agreements between the Parties hereto relating to the Feasibility Study and constitutes the entire agreement between the Parties hereto with respect to the Feasibility Study and the Authority's funding of a portion of the eligible, approved costs of the Feasibility Study.

9.12 Amendments. This Feasibility Study Agreement may be amended only through a written amendment signed by duly authorized representatives of the District and the Authority.

IN WITNESS WHEREOF, the Parties have executed this Agreement on this _____ day of _____, 2018.

MASSACHUSETTS SCHOOL BUILDING AUTHORITY
By,

John K. McCarthy
Executive Director

City of Fitchburg,..... March 20, 2018

Orders-Finance

MSBA Identification Number: 201600970016
District: City of Fitchburg
Project Name: Crocker Elementary School

CITY OF FITCHBURG
By,

NAME (type or print)

TITLE (type or print)

Orders-Finance

EXHIBIT A

FEASIBILITY STUDY BUDGET

**City of Fitchburg
Crocker Elementary School**

The total Budget for the Feasibility Study conducted pursuant to this Agreement, which is attached hereto and incorporated by reference herein, shall be no more than \$1,000,000 based upon the following estimates:

Owner's Project Manager:	\$200,000
Designer:	\$725,000
Environmental and Site Testing:	\$75,000
Other:	\$0

EXHIBIT B

SCOPE OF THE FEASIBILITY STUDY

**City of Fitchburg
Crocker Elementary School**

The Scope of the Feasibility Study conducted under this Agreement, which is attached hereto and incorporated by reference herein, shall consist of the development of a feasibility study/schematic design for the evaluation of a renovation of the existing school, a renovation of and addition to the existing school and/or new construction for the Crocker Elementary School (the "Proposed Project") in the City of Fitchburg (the "District"). Pursuant to the Massachusetts School Building Authority's (the "MSBA") regulations, 963 CMR 2.06, the space allowance for the Proposed Project shall meet all applicable MSBA regulations and guidelines.

The Feasibility Study shall contain all information required by 963 CMR 2.10(8) and any other applicable rules, regulations, policies, guidelines and directives of the MSBA including, but not limited to, a final design program, educational space summary, budget statement for preferred educational objectives, and a proposed total project budget. The Feasibility Study for this Proposed Project may examine an option to re-locate/ consolidate grades 5-8 from the Longsjo Middle School with grades K-4 from the Crocker Elementary School, which for purposes of the design, shall be based on no more than 1,135 students. Exclusive of the re-location/ consolidation proposal, and using information from the base enrollment projection, a design enrollment shall be based on no more than 515 students in grades K-4 for the Crocker Elementary School. The District will prepare and submit to the MSBA the educational space summary for both options for review and acceptance. Upon acceptance of the educational space summaries, the District will commence with the evaluation of alternatives. The Schematic Design that is developed pursuant to this Agreement shall be based upon the final design enrollment, which shall be subject to the written approval of the MSBA. The Schematic Design shall include, but not be limited to, the information required by the MSBA's Feasibility Study Guidelines, including, but not limited to, a site development plan, environmental assessment, geotechnical assessment, geotechnical analysis, code analysis, utility analysis, schematic building floor plans, schematic exterior building elevations, narrative building systems descriptions, NE-CHPS scorecard or LEED for Schools checklist, outline specifications, cost estimates, project schedule and proposed total project budget.

In conducting the Feasibility Study and developing the Schematic Design, the District shall, in a sufficient and timely manner as determined by the MSBA, initiate such notification procedures, undertake such review processes, and obtain such determinations and approvals as may be required by 963 CMR 2.03(2)(h) & (i), including, but not limited to, such procedures, reviews, determinations, and approvals as may be required by the Massachusetts Historical Commission (the "MHC") and/or the Massachusetts Environmental Policy Act. At its earliest opportunity, the District shall seek a written determination from the MHC as to whether the MHC intends to undertake a review of the Proposed Project.

The District shall be responsible for conducting such geotechnical evaluations, site investigations, soils explorations and environmental assessments as are reasonable and necessary to determine whether any significant environmental, geotechnical or other physical conditions

Orders-Finance

exist that may have an impact upon eventual construction on the proposed site. The MSBA may require the District to fully fund certain environmental or geotechnical site testing beyond initial investigatory costs. The MSBA shall bear no responsibility or liability of any sort for the results of any geotechnical evaluations or site testing, soils explorations, environmental assessments, nor for any site remediation, clean-up, or other site remediation services.

The development of the Schematic Design shall be subject to continuing review by the MSBA in accordance with the provisions of this Agreement, the MSBA's Feasibility Study guidelines and any other applicable rule, regulation, policy, guideline or directive of the MSBA. The District shall be responsible for submitting to the MSBA all documentation that is required to complete the Feasibility Study and Schematic Design and to support the preparation of a Project Scope and Budget Agreement.

Exhibit C

Calendar Year 2018

Fitchburg

Crocker Elementary School - 201600970016

MSBA Reimbursement Rate Calculation

Base Points	31.00
Income Factor	9.47
Property Wealth Factor	23.58
Poverty Factor*	17.00
<i>Subtotal: Reimbursement Rate Before Incentives</i>	80.00
<u>Incentive Points</u>	
Maintenance (0-2)	-
CM @ Risk (0-1)	-
Only projects invited to Capital Pipeline prior to 1/2/17	-
Newly Formed Regional District (0-6)	-
Major Reconstruction or Reno/Reuse (0-5)	-
Overlay Zoning 40R & 40S (0-1)	-
Overlay Zoning 100 units or 50% of units for 1, 2 or 3 family structures (0-0.5)	-
Energy Efficiency - "Green Schools" (0 or 2)	-
Model Schools (5)	-
Only projects invited to Capital Pipeline prior to 1/2/16	-
Total Incentive Points	-
MSBA Reimbursement Rate *	80.00

* Per M.G.L. c. 70B §10, the reimbursement rate shall not be greater than 80%.

*Poverty factor is calculated based on Chapter 110 of the Acts of 2017. Future reimbursement rates for feasibility or project scope and budget will be based on the calendar year reimbursement rate in effect at that time, which may be higher or lower than this rate.

Orders-Finance

The following Orders were referred to the Finance Committee:

- 054-18. ORDERED THAT: There be and hereby is appropriated the sum of TWENTY-TWO THOUSAND, THREE HUNDRED THIRTY-ONE AND 00/100 DOLLARS (\$22,331.00) same to be charged against AVAILABLE FUNDS and credited to LAW OTHER EXPENSES, DAMAGES TO PERSONS AND PROPERTY for the purpose of paying the deductible incurred in connection to the fire damage to the Crocker Field Concession Stand.
- 055-18. ORDERED THAT: There be and hereby is appropriated the sum of ONE HUNDRED THIRTY THOUSAND TWO HUNDRED EIGHTY-THREE DOLLARS (\$130,283), same to be charged against AVAILABLE FUNDS and credited to accounts as follows:
- | | |
|---------------------------------------|----------|
| FIRE-Personal Services: | \$ 520 |
| DPW-Highway General Personal Services | \$81,391 |
| DPW-Snow & Ice Personal Services | \$15,015 |
| DPW-Cemetery Personal Services | \$18,422 |
| DPW-Parks Personal Services | \$14,935 |
- 056-18. ORDERED THAT: There be and hereby is transferred from within the following Personal Services Accounts the sum of EIGHTY-ONE THOUSAND THREE HUNDRED NINETY-FOUR DOLLARS (\$81,394), same to be credited to the respective Fiscal Year 2018 Personal Services Accounts:
- | | |
|----------------------------|----------|
| Water Enterprise Fund | \$64,488 |
| Wastewater Enterprise Fund | \$16,906 |
- 057-18. ORDERED THAT: There be and hereby is transferred from within the sum of THIRTY THOUSAND AND 00/100 DOLLARS (\$30,000.00) same to be transferred from YEAR 41 HOMEOWNER REHABILITATION PROGRAM to YEAR 43 DOWN PAYMENT ASSISTANCE PILOT PROGRAM.
- 058-18. ORDERED THAT: The City of Fitchburg hereby approves the expenditure of funds from the Stanton Foundation grant in the approximate amount of \$201,015.00 (TWO HUNDRED ONE THOUSAND, FIFTEEN AND 00/100 DOLLARS) for the purpose of said grant, which is to construct a Municipal Dog Park at Coolidge Park.
- 059-18. ORDERED THAT: The City of Fitchburg hereby approves the expenditure of funds from the Friends of Fitchburg Dogs gift in the approximate amount of \$22,335.00 (TWENTY-TWO THOUSAND, THREE HUNDRED THIRTY-FIVE AND 00/100 DOLLARS) for the purpose of said gift, which is to construct a Municipal Dog Park at Coolidge Park.

City of Fitchburg, March 20, 2018

Orders-Other

ORDERS-OTHER

060-18. ORDERED THAT: The Mayor is authorized to execute a deed of conveyance of the 133 Mechanic Street parcel to abutters Hugh and Karen Leahy as outlined in the enclosed Order.
(Reference Petition #78-2017)



Anne M. Cervantes
Treasurer

City of Fitchburg

OFFICE OF THE TREASURER

166 Boulder Drive
Fitchburg, MA 01420

978-829-1830
FAX 978-829-1971

February 15, 2018

Mayor Stephen L. DiNatale and
Members of the City Council
166 Boulder Drive
Fitchburg, MA 01420

Re: Side Yard Sales

Dear Mayor and Councilors:

At its February 12, 2018 meeting, the Side Yard Sales Committee voted to recommend the sale of the 133 Mechanic Street parcel to abutters Hugh and Karen Leahy.

Attached is the order to sell the parcel and to authorize the mayor to execute the deed of conveyance. For your reference, a draft deed is attached to each order.

On behalf of the Side Yard Sales Committee, I ask for your approval of these orders.

Thank you for your consideration.

Sincerely,

Anne M. Cervantes

Anne M. Cervantes
Treasurer

Orders-Other

City of Fitchburg

FITCHBURG CITY CLERK

2018 MAR 15 PM 12:35

In City Council,

ORDERED:— That

WHEREAS, in the opinion of the City Council of Fitchburg, the City is the owner of a certain parcel of land and any buildings thereon located at 133 Mechanic Street, Assessor's Map 9, Block 46, Lot 0, after foreclosure of the City's tax lien, and

WHEREAS, the City of Fitchburg no longer has any use for the aforesaid parcel and the purchasers, Hugh J. Leahy, Jr. and Karen A. Leahy of 9 Pheasant Hill, Bellingham, Massachusetts, owners of 135-141 Mechanic Street, Fitchburg, Worcester County, Massachusetts, have a particular use for the same, and

WHEREAS, the City Treasurer, Calvin D. Brooks, petitioned the Fitchburg City Council to declare this parcel as excess by Petition 78-2017, which petition was approved as amended by the Council on April 18, 2017, and referred for sale under the City's Side Yard Sales program, and

WHEREAS, the Side Yard Sales Committee voted to recommend the sale of said parcel to abutters Hugh J. Leahy, Jr. and Karen A. Leahy of 9 Pheasant Hill, Bellingham, Massachusetts, owners of 135-141 Mechanic Street, Fitchburg, Worcester County, Massachusetts, at its February 12, 2018 meeting,

NOW THEREFORE IT IS ORDERED that, in consideration of the payment of Three Hundred (\$300.00) Dollars, to be paid to the City Treasurer inclusive of the cost of recording and a pro forma tax as required by Chapter 44, Section 63A, the City of Fitchburg sell the above described parcel of land to said purchaser through the City's Side Yard Sales Program, subject to the following restrictions, which shall run with the parcel and be enforceable by the City, that said parcel:

1. Shall be kept free of garbage and debris, and
2. Shall be combined for purposes of future conveyances with the abutting property owned by said purchaser, located at 135-141 Mechanic Street, Fitchburg, MA and described in a deed dated July 6, 2006 and recorded in the Worcester North District Registry of Deeds at Book 6168, Page 110 (the "abutting lot"), and
3. Shall henceforth be conveyed in tandem with the abutting lot, and into the same record ownership.

City of Fitchburg, March 20, 2018

Orders-Other

AND IT IS FURTHER ORDERED AND VOTED: That Stephen L. DiNatale, Mayor of the City of Fitchburg, be and is hereby authorized for and in behalf of said City to execute, acknowledge and deliver said deed of conveyance in form substantially similar to that attached, and to take any other action and execute any other documents necessary, helpful or convenient for conclusion of the sale thereof.

Orders-Other

RELEASE DEED

THE CITY OF FITCHBURG, a Commonwealth of Massachusetts municipality having its usual place of business at 166 Boulder Drive, Fitchburg, Massachusetts 01420

In consideration of Three Hundred and 00/100 (\$300.00) dollars paid

Grants to **Hugh J. Leahy, Jr. and Karen A. Leahy** as husband and wife, tenants by the entirety, of 9 Pheasant Hill, Bellingham, Massachusetts 02019,

All its right, title and interest in and to the following described premises:

A certain tract of land with any buildings thereon located at the easterly side of Mechanic Street in Fitchburg, Worcester County, Commonwealth of Massachusetts and being all of the Grantor's right, title and interest acquired from the following recorded instruments:

- i. Instrument of Taking by the City of Fitchburg against Jaci Boeira and Andrea Boeira, dated June 20, 2014 and recorded June 26, 2014 in Worcester Northern District Registry of Deeds Book 8145, Page 307.
- ii. Low Value Affidavit by Calvin Brooks Treasurer of the City of Fitchburg, dated May 3, 2016 and recorded December 23, 2016 in Worcester Northern District Registry of Deeds Book 8730, Page 5.
- iii. Treasurer's Deed from the Treasurer of the City of Fitchburg to the City of Fitchburg, dated February 23, 2017 and recorded March 17, 2017 in Worcester Northern District Registry of Deeds Book 8779, Page 48.

This conveyance is made subject to the following provisions and conditions of the City of Fitchburg Side Yard Sales Program:

1. The premises are sold "as is", in its present condition
2. The Grantor makes no representations or warranties of any kind as to the suitability of the premises for any particular purpose, or as to the applicability or effect of any local, state or federal law.
3. The Grantor makes no representations or warranties as to whether the premises contain any substance which may be classified as a hazardous, toxic, chemical or radioactive substance or a contaminant or pollutant under applicable federal, state or local law, statute, ordinance, rule or regulation, or which may require any cleanup, remediation or other corrective action pursuant to such applicable laws.
4. The premises shall be kept free of garbage and debris.
5. The premises shall be combined for purposes of future conveyances with the abutting property owned by the Grantees, located at 135-141 Mechanic Street, Fitchburg, Massachusetts and described in a Quitclaim Deed from James C. Pappas as Trustee of the Jackson Avenue Realty Trust, u/d/t dated 8/14/1996 to

133 Mechanic Street, Fitchburg, MA 01420

City of Fitchburg,

March 20, 2018

Orders-Other

Hugh J. Leahy, Jr. and Karen A. Leahy, dated and recorded July 6, 2006 in Worcester Northern District Registry of Deeds Book 6168, Page 110, such that the premises shall henceforth be conveyed in conjunction with the abutting lot and into the same record ownership establishing a merger of title.

6. These provisions, conditions and restrictions shall run with the land and be enforceable against the Grantees, their successors and assigns by the City of Fitchburg.

The Grantor warrants that it has received from the Grantees an affidavit executed pursuant to Massachusetts General Laws, Chapter 60, Section 77B and the statutory payment in lieu of taxes pursuant to Massachusetts General Laws, Chapter 44, Section 63A.

This instrument is executed pursuant to a vote taken by the City of Fitchburg City Council and attached herewith as Exhibit "A".

No title search has been performed in the preparation of this deed.

Executed as a sealed instrument this ____ day of March, 2018.

Stephen L. DiNatale, Mayor
City of Fitchburg

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss

On this ____ day of March, 2018, before me, the undersigned Notary Public, personally appeared **Stephen L. DiNatale**, proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose as Mayor of the City of Fitchburg.

Seal

_____, Notary Public

My commission expires: _____

Orders-Other

061-18. ORDERED THAT: The Mayor is authorized to execute a deed of conveyance of the 48 Hartwell Street parcel to abutters Michael and Denise Tully as outlined in the enclosed Order.
(Reference Petition #78-2017)



Anne M. Cervantes
Treasurer

City of Fitchburg

OFFICE OF THE TREASURER

166 Boulder Drive
Fitchburg, MA 01420

978-829-1830
FAX 978-829-1971

February 15, 2018

Mayor Stephen L. DiNatale and
Members of the City Council
166 Boulder Drive
Fitchburg, MA 01420

Re: Side Yard Sales

Dear Mayor and Councilors:

At its December 26, 2017 meeting, the Side Yard Sales Committee voted to recommend the sale of the 48 Hartwell Street parcel to abutters Michael and Denise Tully.

Attached is the order to sell the parcel and to authorize the mayor to execute the deed of conveyance. For your reference, a draft deed is attached to each order.

On behalf of the Side Yard Sales Committee, I ask for your approval of these orders.

Thank you for your consideration.

Sincerely,

Anne M. Cervantes

Anne M. Cervantes
Treasurer

City of Fitchburg

FITCHBURG CITY CLERK
2018 MAR 15 PM 12:31

In City Council,

ORDERED:- That

WHEREAS, in the opinion of the City Council of Fitchburg, the City is the owner of a certain parcel of land and any buildings thereon located at 48 Hartwell Street, Assessor's Map 30, Block 36, Lot 0, after foreclosure of the City's tax lien, and

WHEREAS, the City of Fitchburg no longer has any use for the aforesaid parcel and the purchasers, Michael Tully and Denise Tully of 52 Hartwell Street, Fitchburg, Worcester County, Massachusetts, have a particular use for the same, and

WHEREAS, the City Treasurer, Calvin D. Brooks, petitioned the Fitchburg City Council to declare this parcel as excess by Petition 78-2017, which petition was approved as amended by the Council on April 18, 2017, and referred for sale under the City's Side Yard Sales program, and

WHEREAS, the Side Yard Sales Committee voted to recommend the sale of said parcel to abutters Michael Tully and Denise Tully of 52 Hartwell Street, Fitchburg, Massachusetts, at its December 26, 2017 meeting,

NOW THEREFORE IT IS ORDERED that, in consideration of the payment of Three Hundred (\$300.00) Dollars, to be paid to the City Treasurer inclusive of the cost of recording and a pro forma tax as required by Chapter 44, Section 63A, the City of Fitchburg sell the above described parcel of land to said purchaser through the City's Side Yard Sales Program, subject to the following restrictions, which shall run with the parcel and be enforceable by the City, that said parcel:

1. Shall be kept free of garbage and debris, and
2. Shall be combined for purposes of future conveyances with the abutting property owned by said purchaser, located at 52 Hartwell Street, Fitchburg, MA and described in a deed dated May 24, 2006 and recorded in the Worcester North District Registry of Deeds at Book 6121, Page 213 (the "abutting lot"), and
3. Shall henceforth be conveyed in tandem with the abutting lot, and into the same record ownership.

Orders-Other

AND IT IS FURTHER ORDERED AND VOTED: That Stephen L. DiNatale, Mayor of the City of Fitchburg, be and is hereby authorized for and in behalf of said City to execute, acknowledge and deliver said deed of conveyance in form substantially similar to that attached, and to take any other action and execute any other documents necessary, helpful or convenient for conclusion of the sale thereof.

City of Fitchburg,

March 20, 2018

Orders-Other

RELEASE DEED

THE CITY OF FITCHBURG, a Commonwealth of Massachusetts municipality having its usual place of business at 166 Boulder Drive, Fitchburg, Massachusetts 01420

In consideration of less than Three Hundred and 00/100 (\$300.00) dollars paid

Grants to **Michael Tully and Denise Tully**, husband and wife, as tenants by the entirety, of 52 Hartwell Street, Fitchburg, Massachusetts 01420

All its right, title and interest in and to the following described premises:

A certain tract of land with any buildings thereon located at the easterly side of Hartwell Street in Fitchburg, Worcester County, Commonwealth of Massachusetts and being all of the Grantor's right, title and interest acquired from the following recorded instruments:

- i. Instrument of Taking by the City of Fitchburg against Reinaldo Quinones, dated March 23, 2009 and recorded March 27, 2009 in Worcester Northern District Registry of Deeds Book 6908, Page 135.
- ii. Low Value Affidavit by Calvin Brooks Treasurer of the City of Fitchburg, dated May 20, 2016 and recorded December 23, 2016 in Worcester Northern District Registry of Deeds Book 8730, Page 7.
- iii. Treasurer's Deed from the Treasurer of the City of Fitchburg to the City of Fitchburg, dated February 23, 2017 and recorded March 17, 2017 in Worcester Northern District Registry of Deeds Book 8779, Page 48.

This conveyance is made subject to the following provisions and conditions of the City of Fitchburg Side Yard Sales Program:

1. The premises are sold "as is", in its present condition
2. The Grantor makes no representations or warranties of any kind as to the suitability of the premises for any particular purpose, or as to the applicability or effect of any local, state or federal law.
3. ~~The Grantor makes no representations or warranties as to whether the premises~~ contain any substance which may be classified as a hazardous, toxic, chemical or radioactive substance or a contaminant or pollutant under applicable federal, state or local law, statute, ordinance, rule or regulation, or which may require any cleanup, remediation or other corrective action pursuant to such applicable laws.
4. The premises shall be kept free of garbage and debris.
5. The premises shall be combined for purposes of future conveyances with the abutting property owned by the Grantees, located at 52 Hartwell Street, Fitchburg, Massachusetts and described in a Quitclaim Deed from Paul E. Cochrane and Judith B. Cochrane to Michael W. Tully and Denise M. Tully, dated May 24,

48 Hartwell Street, Fitchburg, MA 01420

Orders-Other

2006 and recorded May 24, 2006 in Worcester Northern District Registry of Deeds Book 6121, Page 213, such that the premises shall henceforth be conveyed in conjunction with the abutting lot and into the same record ownership establishing a merger of title.

6. These provisions, conditions and restrictions shall run with the land and be enforceable against the Grantees, their successors and assigns by the City of Fitchburg.

The Grantor warrants that it has received from the Grantees an affidavit executed pursuant to Massachusetts General Laws, Chapter 60, Section 77B and the statutory payment in lieu of taxes pursuant to Massachusetts General Laws, Chapter 44, Section 63A.

This instrument is executed pursuant to a vote taken by the City of Fitchburg City Council and attached herewith as Exhibit "A".

No title search has been performed in the preparation of this deed.

Executed as a sealed instrument this ____ day of March, 2018.

Stephen L. DiNatale, Mayor
City of Fitchburg

COMMONWEALTH OF MASSACHUSETTS

Worcester, ss

On this ____ day of March, 2018, before me, the undersigned Notary Public, personally appeared **Stephen L. DiNatale**, proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose as Mayor of the City of Fitchburg.

Seal

_____, Notary Public

My commission expires: _____

Orders adopted by unanimous vote. 11 members present. Board consists of 11 members.
Orders signed by the Mayor March 21, 2018.

ORDINANCES

051-18. A stop sign shall be installed at the intersection of Vernon and Sanborn Street.

Section 169-76 of the City Code, titled "Stop intersections" shall be amended by striking the word "South" under the "Direction of Travel" column in the line beginning "Sanborn Street" in regards to its intersection at "Vernon Street" and inserting in its place "Both."

(Reference Petition #297-17)

CITY OF FITCHBURG

IN THE YEAR

FITCHBURG CITY CLERK

2018

2018 MAR -2 AM 8:46

AN ORDINANCE

Be it ordained by the City Council of the City of Fitchburg, as follows:

A stop sign shall be installed at the intersection of Vernon and Sanborn Street.

Section 169-76 of the City Code, titled "Stop intersections" shall be amended by striking the word "South" under the "Direction of Travel" column in the line beginning "Sanborn Street" in regards to its intersection at "Vernon Street" and inserting in its place "Both."

(1) By striking the word "South" and inserting the word "Both" under the "Direction of Travel" column.

The resulting amendment will read as follows:

In accordance with the provisions of MGL c. 89, § 9, the following streets are designated as stop streets at the intersections indicated:

Stop Sign on
Sanborn Street

Direction of Travel
Both

At Intersection of
Vernon Street

Ordinance was passed to a third and final reading and adopted to be enrolled and ordained by unanimous vote. 11 members present. Board consists of 11 members. Ordinance signed by the Mayor March 21, 2018.

Ordinances

062-18. AN ORDINANCE: Amending Section 169-76 of the City Code titled "Stop Intersections" (re: Stop sign on Columbus St. at intersection of St. Joseph Ave.) (Reference Petition #119-17)

CITY OF FITCHBURG

IN THE YEAR

FITCHBURG CITY CLERK

2018 MAR -8 PM 3:32

AN ORDINANCE

Be it ordained by the City Council of the City of Fitchburg, as follows:

A stop sign shall be installed on Columbus Street at its intersection with St. Joseph Avenue.

Section 169-76 of the City Code, titled "Stop intersections" shall be amended by inserting a new line below the line beginning "Columbus Street" in regards to "Madison Avenue" and the following words shall be inserted thereon:

1. The words "Columbus Street" shall be inserted under the "Stop Sign On" column;
2. The word "West" shall be inserted under the "Direction of Travel" column;
3. The words "St. Joseph Avenue" shall be inserted under the "At Intersection of" column.

The resulting amendment will read as follows:

In accordance with the provisions of MGL c. 89, § 9, the following streets are designated as stop streets at the intersections indicated:

Stop Sign on
Columbus Street

Direction of Travel
West

At Intersection of
St. Joseph Avenue

Ordinance was passed to a first and second reading and ordered advertised by unanimous vote. 11 members present. Board consists of 11 members.

063-18. AN ORDINANCE: Amending Section 169-76 titled "Stop Intersections" (re: Stop signs on Mt. Globe St. at its intersection with Davis St.) (Reference Petition #299-17)

CITY OF FITCHBURG

IN THE YEAR

FITCHBURG CITY CLERK
2018 MAR -8 PM 3:08

AN ORDINANCE

Be it ordained by the City Council of the City of Fitchburg, as follows:

Stop signs shall be installed on Mt. Globe Street at its intersection with Davis Street.

Section 169-76 of the City Code, titled "Stop intersections" shall be amended by inserting a new line below the line beginning "Mt. Elam Road" and the following words shall be inserted thereon:

1. The words "Mt. Globe Street" shall be inserted under the "Stop Sign On" column;
2. The word "Both" shall be inserted under the "Direction of Travel" column;
3. The words "Davis Street" shall be inserted under the "At Intersection of" column.

The resulting amendment will read as follows:

In accordance with the provisions of MGL c. 89, § 9, the following streets are designated as stop streets at the intersections indicated:

Stop Sign on
Mt. Globe Street

Direction of Travel
Both

At Intersection of
Davis Street

Ordinance was passed to a first and second reading and ordered advertised by unanimous vote. 11 members present. Board consists of 11 members.

Ordinances

064-18. AN ORDINANCE: Amending Section 169-17 of the City Code titled "Stop Intersections" (re: Stop sign on Amriott St. at its intersection with King St.) (Reference Petition #280-17)

CITY OF FITCHBURG

IN THE YEAR

FITCHBURG CITY CLERK

2018 MAR -8 PM 3:09

AN ORDINANCE

Be it ordained by the City Council of the City of Fitchburg, as follows:

Stop signs shall be installed on Amriott Street at its intersection with King Street.

Section 169-76 of the City Code, titled "Stop intersections" shall be amended by inserting a new line below the line beginning "Allston Pl." and the following words shall be inserted thereon:

1. The words "Amriott Street" shall be inserted under the "Stop Sign On" column;
2. The word "Both" shall be inserted under the "Direction of Travel" column;
3. The words "King Street" shall be inserted under the "At Intersection of" column.

The resulting amendment will read as follows:

In accordance with the provisions of MGL c. 89, § 9, the following streets are designated as stop streets at the intersections indicated:

Stop Sign on	Direction of Travel	At Intersection of
Amriott Street	Both	King Street

Ordinance was passed to a first and second reading and ordered advertised by unanimous vote. 11 members present. Board consists of 11 members.

065-18. AN ORDINANCE: Amending Section 169-76 "Stop Intersections" and Section 169-77 "Yield Intersections" to replace a stop sign with a yield sign at the corner of Daniels St. and River St. (Reference Petition 229-17)

CITY OF FITCHBURG

IN THE YEAR

FITCHBURG CITY CLERK

2018 MAR -8 PM 3:09

AN ORDINANCE

Be it ordained by the City Council of the City of Fitchburg, as follows:
To replace a stop sign with a yield sign that is located at the corners of Daniels Street and River Street due to it being a rotary.

Section 169-76 of the City Code, titled "Stop intersections" shall be amended by striking the line beginning "Daniels Street" in regards to the intersection on River Street in its entirety.

Section 169-77 of the City Code, titled "Yield intersections" shall be amended by inserting a line below the line beginning "Cottage Street" and the following words shall be inserted thereon:

1. The words "Daniels Street" shall be inserted under the "Stop Sign On" column;
2. The word "Both" shall be inserted under the "Direction of Travel" column;
3. The words "River Street" shall be inserted under the "At Intersection Of" column.

The resulting amendment will read as follows:

In accordance with the provisions of MGL c. 89, § 9, the following streets are designated as yield streets at the intersections and in the directions indicated:

Yield Sign on	Direction of Travel	At Intersection of
Daniels Street	North	River Street

Ordinance was passed to a first and second reading and ordered advertised by unanimous vote. 11 members present. Board consists of 11 members.

Ordinances

The following Ordinance was **amended** and referred to the Council as a Whole Committee as amended to include the revised chart below:

066-18. AN ORDINANCE: Be it ordained by the City Council of the City of Fitchburg that Chapter 147-35 of the Code of the City of Fitchburg relative to the adoption of charges and fees, be and hereby is amended as follows; By inserting the following table of Chapter 147, Section 35.2;

Minimum Monthly Sewer Use Charges (includes usage of up to and including 100 cubic feet per month)					
Current Rate	June 1, 2018	June 1, 2019	June 1, 2020	June 1, 2021	June 1, 2022
\$18.85	\$20.36	\$21.99	\$23.53	\$25.17	\$26.81

Monthly Sewer Rate to be charged for usage in excess of 100 cubic feet per month						
	Current Rate	June 1, 2018	June 1, 2019	June 1, 2020	June 1, 2021	June 1, 2022
Rate per 100 cubic feet (which equals 748 gallons)	\$7.30	\$7.88	\$8.51	\$9.11	\$9.75	\$10.38

REVISED CHART:

Current Rate	June 1, 2018	June 1, 2019	June 1, 2020	June 1, 2021	June 1, 2022
\$18.85	\$20.36	\$21.99	\$23.53	\$25.17	\$26.81

	Current Rate	June 1, 2018	June 1, 2019	June 1, 2020	June 1, 2021	June 1, 2022
Rate per 100 cubic feet (which equals 748 gallons)	\$7.30	\$7.88	\$8.51	\$9.11	\$9.75	\$10.38

Current Rate	June 1, 2018	June 1, 2019	June 1, 2020	June 1, 2021	June 1, 2022
\$60.83	\$65.67	\$70.92	\$75.92	\$81.25	\$86.50

PETITIONS

The following Petition was referred to the Legislative Affairs Committee:

067-18. Councilor Michael Kushmerek to require all short-term rental units to register and have a regular inspection as outlined in the attached document.

FITCHBURG CITY CLERK

TO THE HONORABLE CITY COUNCIL OF THE CITY OF FITCHBURG

2018 MAR 12 PM 1:19

Ladies and Gentlemen:

The undersigned Petition your Honorable Body to

Short Term Rental Safety Requirement Recommendations:

Any residence or commercial property not already licensed as a motel, hotel, inn or bed and breakfast, being used to accommodate travelers either as a Bed and Breakfast Home, Bed and Breakfast Inn, Airbnb, Couchsurfing, VRBO, YourHomeSuite, or any other online or other format service for providing short (less than 1 month) rentals, regardless of the total space included in the service (bedroom, full apartment, full house, couch, etc.) shall register with the City as a business, apply for a victualer license and shall conform to the following safety requirements:

- Fire Code inspection and Fire Alarm System updates to bring to current code.
- Building Code inspection and Building Code updates to bring to current code.
- In the case of a Bed and Breakfast, or other operation providing food, Board of Health Inspections and any Board of Health code requirements to bring to current code.
- Comply with all applicable zoning codes for the zoned district in which the business exists and apply for any applicable variances.
- Comply with all applicable planning board requirements for the type of business operation taking place and apply for any applicable special licenses.

The purpose of this ordinance is to assure that travelers into the city shall be afforded proper safety system and minimum emergency exit requirements during their stay.

Any such home, apartment or subsection of a home or apartment or commercial property not already zoned for such accommodations that is presently operating through one of the services for providing for short term travelers shall cancel existing bookings, cease taking any new guest accommodations immediately, and not accept any traveler bookings until such time as all of the above requirements are complied with.

Failure to comply with this ordinance or to cease operations as an accommodation shall result in a fine of _____ per day.

Petitions

The following Petition was given leave to withdraw:

- 068-18. Councillor Elizabeth Walsh, to grant a special permit to James Lillie, 31 St. Martin St., to allow 13 year old Nathan Lillie to raise 6-8 chicks for a 4-H Challenge project. Nathan Lillie has been involved in 4-H for 8 years.
-

The following Petition was referred to the Police Chief::

- 069-18. Councillor Amy Green and Tricia Pistone, MOC, to install two (2) handicap spaces at the entrance to Hosmer School.
-

The following Petitions were referred to the Public Works Committee:

- 070-18. Councillor Marcus DiNatale and resident Lorelei McClure to re-pave the portion of Rindge Road just after McKay Elementary School. This stretch of roadway is a critical pathway for parents, faculty, and university students to and from both McKay and the University.
- 071-18. Councillor Elizabeth Walsh and John Carbone, to address drainage problem at 33 Damon Road that is creating a road hazard.
- 072-18. Councillor Elizabeth Walsh and Sam Erhagbai to address drainage problem at 96 Lancaster Ave. Each time it rains, water runs into the driveway and results in standing water in his garage.
- 073-18. Councillor Elizabeth Walsh, to address drainage problem at 264 Boutelle St., install a berm along the East side at Boutelle St. from Harvard St. to St. Bernard St., and pave the sidewalk.
-

City of Fitchburg,

March 20, 2018

Petitions

The following Petitions were referred to a Public Hearing
April 3, 2018:

- 074-18. Lighttower Fiber Networks, to place and maintain approx. 700 feet of underground micro conduit from telephone pole #5542 River Road to 22 Kimball Pl. in accordance with that attached plan.



FITCHBURG CITY CLERK

2018 MAR -5 AM 11:30

March 5, 2017

To: The City Council
City of Fitchburg, Massachusetts

Lighttower Fiber Networks, LLC, Petition for Underground Conduit Placement

Dear City Council:

Lighttower Fiber Networks, LLC requests permission to place and maintain underground micro conduit and fiber optic cable place therein at the public ways listed below:

Install approximately 700 feet (1) 3/4" Communication Micro Conduit from Telephone pole #5542 River road to 22 Kinball Pl. in accordance with the attached plan labeled "Proposed Conduit Installation at 22 River Rd in Fitchburg, MA". Please note that this installation would take place behind the sidewalk and not physically on River Rd.

Please refer to the attached plans for approximate trench locations and utility details. If you have any questions or concerns, please contact me at the numbers below.

Sincerely,

Steve Crescimanno

Steve Crescimanno
Fiber Construction Engineer
Office: 508-616-7865
Mobile: 860-576-0742
screscimanno@lighttower.com

Petitions



PROPOSED CONDUIT INSTALLATION

AT

22 KIMBALL PL

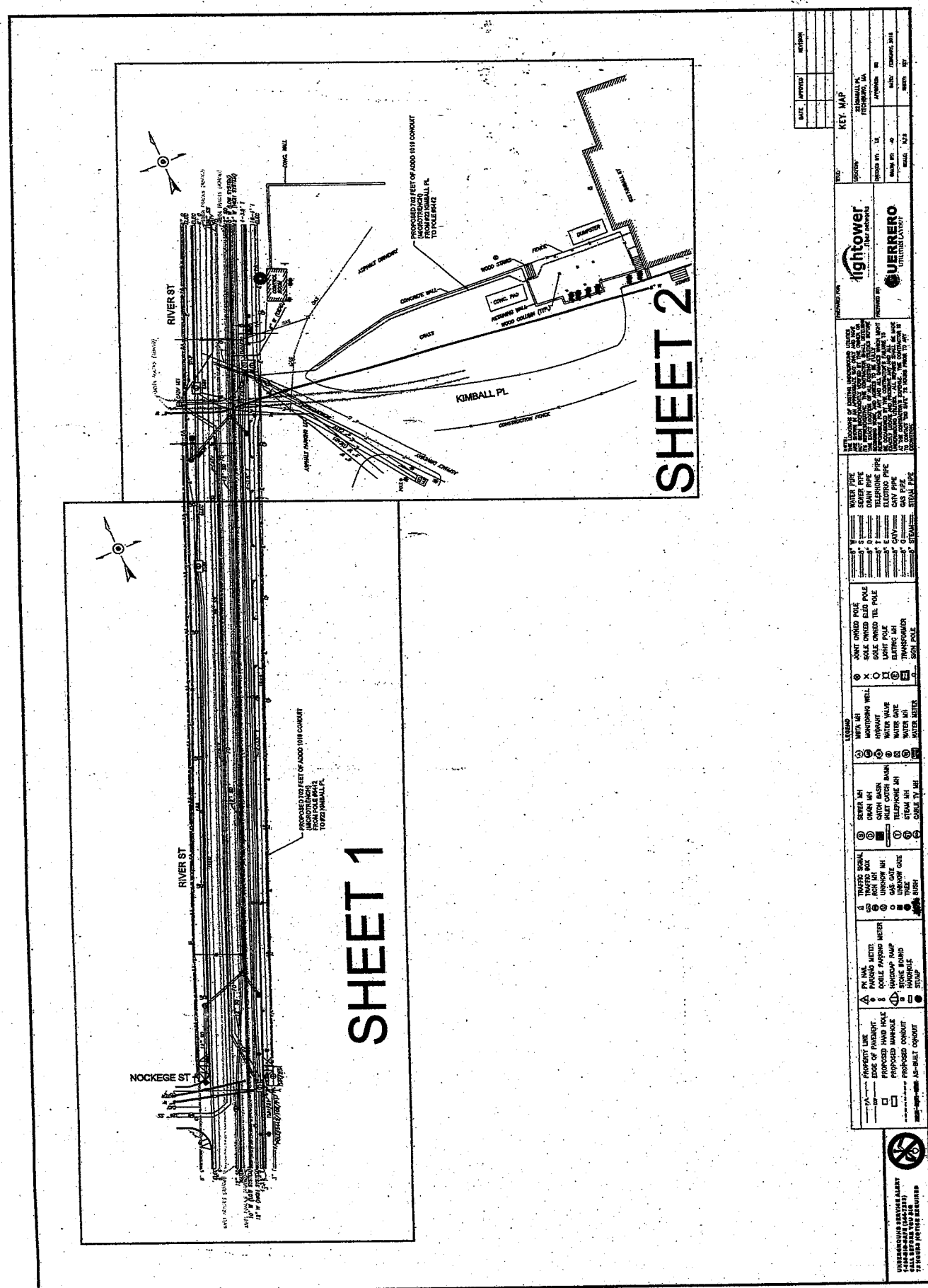
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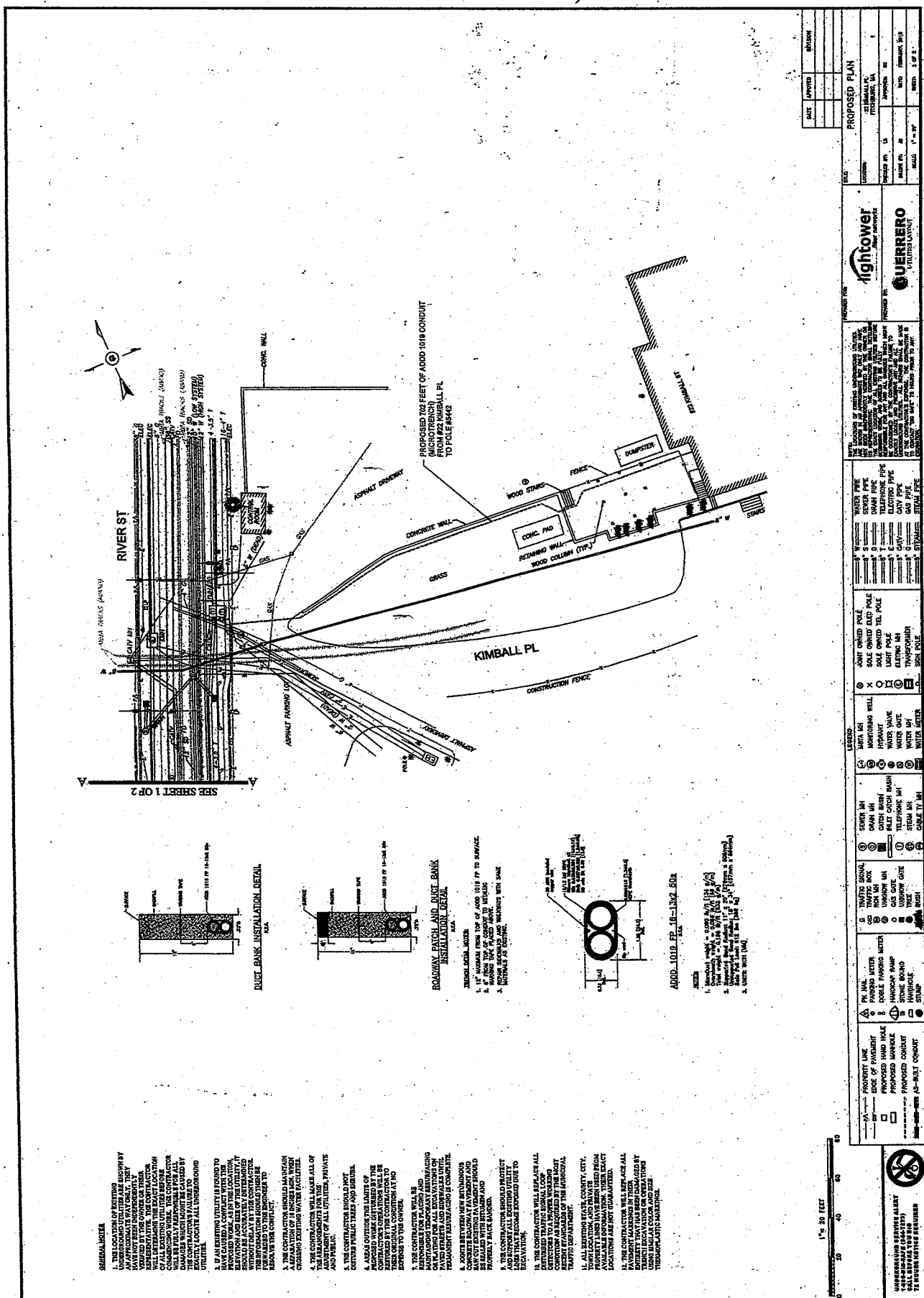
FITCHBURG, MA

INDEX OF DRAWING

SHT NO.	DESCRIPTION
KEY	KEY MAP
01-02	PROPOSED PLAN







Petitions

075-18. Comcast of Massachusetts III, Inc., to request a hearing for a grant of location, to install a new conduit system to provide service to 175 Old Princeton Road.



FITCHBURG CITY CLERK

2018 MAR -1 PM 2:09

March 1, 2018

Ms. Anna M. Farrell
City Clerk
City of Fitchburg
City Hall
166 Boulder Drive
Fitchburg, MA 01420

RE: 175 Old Princeton Road
Fitchburg, MA

Dear Ms. Farrell:

Comcast of Massachusetts III, Inc. would like to request a hearing with the Fitchburg City Council for a grant of location. The purpose of the grant of location request is to install a new conduit system to provide service to 175 Old Princeton Road.

Old Princeton Road: Starting at the existing Utility Pole No. 6/8291. Excavating to install (2) 3" PVC Conduits 101' ± to the Util Property line and then continuing on to private property. For the purpose of providing Comcast Service to the Util Power Substation.

Please feel free to call me with any questions; I can be reached at 617-279-7864.

Sincerely,

A handwritten signature in black ink, appearing to read "David R. Flewelling".

David R. Flewelling
Specialist 2, Construction

Enclosure (3)

City of Fitchburg,

March 20, 2018

Petitions

PETITION OF COMCAST FOR LOCATION FOR CONDUITS AND MANHOLES

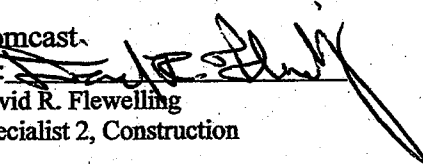
To the City Council for the City of Fitchburg, Massachusetts:

Respectfully represents Comcast of Massachusetts III, Inc., a company incorporated for the distribution of telecommunications services, that it desires to construct a line for such telecommunications under the public way or ways hereinafter specified.

Old Princeton Road: Starting at the existing Utility Pole No. 6/8291. Excavating to install (2) 3" PVC Conduits 101' ± to the Until Property line and then continuing on to private property. For the purpose of providing Comcast Service to the Until Power Substation.

Wherefore, your petition prays that, after due notice and hearing as provided by law, the City Council may by Order grant your petitioner permission to construct, and a location for, such a line of conduits and manholes with the necessary wires and cables therein, said conduits and manholes to be located, substantially as shown on the plan made by Comcast of Massachusetts III Inc. dated, March 1, 2018 and filed here with, under the following public way or ways of said City of Fitchburg:

Comcast

By: 
David R. Flewelling
Specialist 2, Construction

Dated this March 1, 2018

City of Fitchburg Massachusetts

Received and filed _____, 2018

Petitions

ORDER FOR CONDUIT LOCATION

In the City Council for the City of Fitchburg, Massachusetts.

ORDERED:

That permission be and hereby is granted to Comcast of Massachusetts III, Inc., to lay and maintain underground conduits and manholes, with the wires and cables to be placed therein, under the surface of the following public way or ways as requested in petition of said Company dated March 1, 2018

Old Princeton Road: Starting at the existing Utility Pole No. 6/8291. Excavating to install (2) 3" PVC Conduits 101' ± to the Unitil Property line and then continuing on to private property. For the purpose of providing Comcast Service to the Unitil Power Substation.

Substantially as shown on plan marked - Proposed Comcast Underground, filed with said petition.

Also that permission be and hereby is granted said Comcast to lay and maintain underground conduits, manholes, cables and wires in the above or intersecting public ways for the purpose of making connections with such poles and buildings as it may desire for distributing purposes.

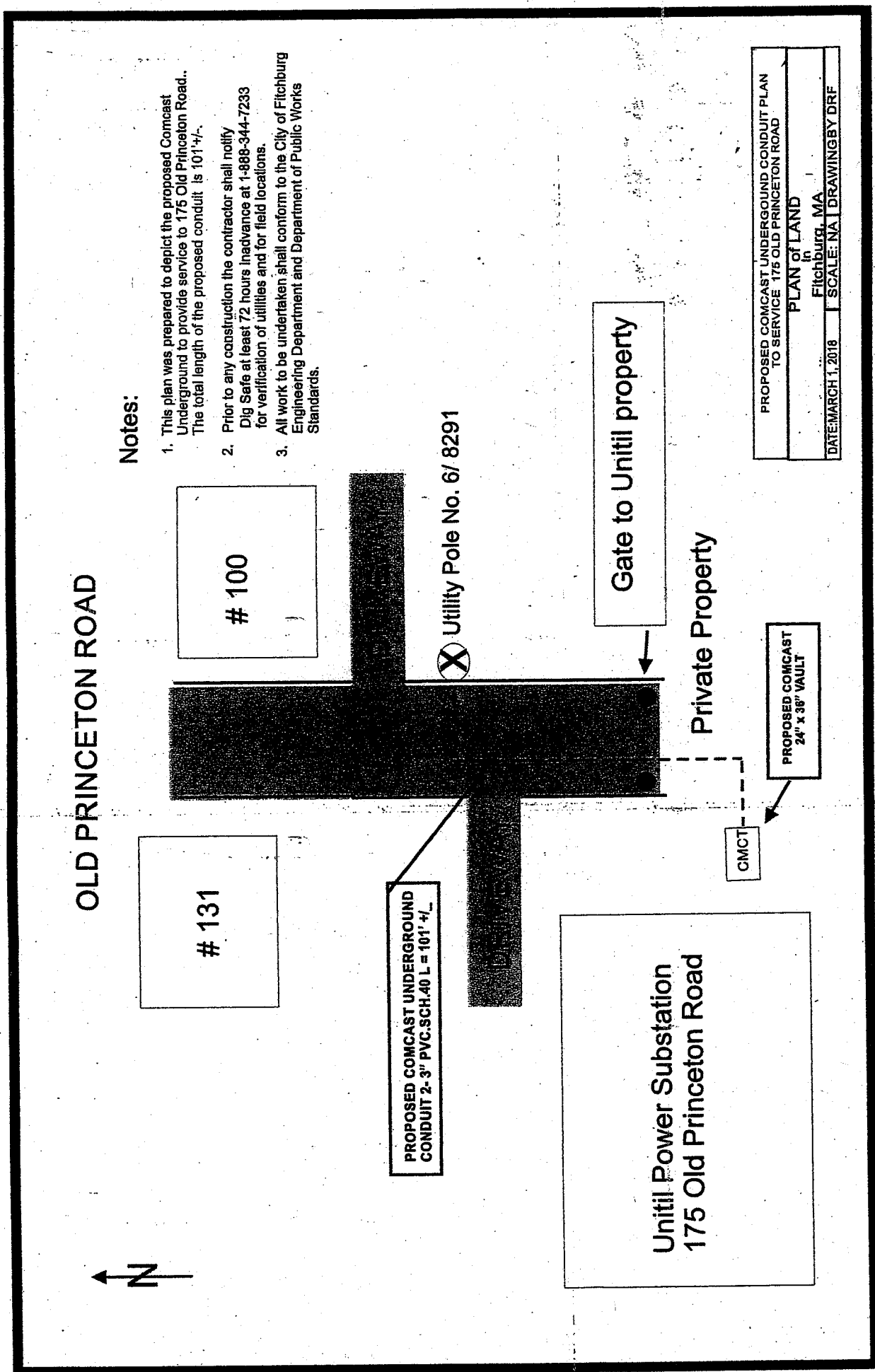
The foregoing permission is subject to the following conditions:

1. The conduits and manholes shall be of such materials and construction and all work done in such manner as to be satisfactory to the City Council or to such officers as it may appoint to the supervision of the work.
2. Said Company shall indemnify and save the City harmless against all damages, costs and expense whatsoever to which the City may be subjected in consequence of the acts or neglect of said Company, its agents or servants, or in any manner arising from the rights and privileges granted it by the City.
3. In addition said Company shall, before a public way is disturbed for the laying of its wire or conduits, execute its bond in a penal sum of One Hundred Thousand Dollars (\$100,000) (reference being had to the bond already on file with said City) conditioned for the faithful performance of its duties under this permit.
4. Said Company shall comply with the requirements of existing by-laws and such as may hereafter be adopted governing the construction and maintenance of conduits and wires, so far as the same are not inconsistent with the laws of the Commonwealth.

I hereby certify that the foregoing order was adopted at a meeting of the City Council for the City of Fitchburg, Massachusetts, held on the _____ day of _____ 2018.

(over)

Town Clerk



The meeting adjourned at 7:51 P.M.

Anna M. Farrell
 Anna M. Farrell, Clerk